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ABSTRACT

In 1989, the National Center on Education and the Economy created the Commission on the Skills of the American Workforce. In its 1990 report, "America's Choice: High Skills or Low Wages!," the commission recommended that the United States build a new skills-development system. This document provides a progress report on reforms that followed the publication of "America's Choice." Following a brief overview of developments at the national level, the rest of the document describes the reform efforts of 12 leading states--Indiana, Kentucky, Maine, Massachusetts, Minnesota, New York, Oregon, Pennsylvania, Vermont, Texas, Washington, and Wisconsin--in four areas: economic-development policy, basic education reform, the post-basic-education and training system, and the development of a labor-market system. Each state profile gives a broad picture of what the state is doing in these four areas, how the reforms fit together, and the strengths and weaknesses of the state strategy. The states: (1) set high standards for basic education; (2) offer professional and technical pathways leading to an industry-recognized certification; (3) help corner the quality market; and (4) are building a market for employment and training services. Lessons learned about the reform process and system design are also discussed. A total of 26 tables and 12 figures are included. (LMI)

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NATIONAL CENTER ON EDUCATION AND THE ECONOMY

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WORKFORCE SKILLS PROGRAM

BUILDING A SYSTEM TO INVEST IN PEOPLE:

States on the Cutting Edge

INDIANA

KENTUCKY

MAINE

MASSACHUSETTS

MINNESOTA

NEW YORK

OREGON

PENNSYLVANIA

TEXAS

VERMONT

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WORKFORCE SKILLS PROGRAM

The National Center's Workforce Skills Program is working to build a human resources investment system in the United States by helping to implement the recommendations in *America's Choice: high skills or low wages!* at the national, state and local levels. The landmark 1990 report called for the United States to create a single comprehensive system for general, professional and technical education that meets the needs of everyone from high school students to dislocated workers, from the hard-core unemployed to working adults who want to improve their skills. Creating such a system means changing features of our education and training systems that have been in place for much of this century. To carry out this vision, the Workforce Skills Program is working closely with leaders in the executive branch and Congress, governors and state legislators, educators and business executives — both to develop public policy and to provide technical assistance to implement those policies.

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EXECUTIVE SUMMARY

INDIANA

KENTUCKY

MAINE

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EXECUTIVE SUMMARY

In 1989, the National Center on Education and the Economy created the Commission on the Skills of the American Workforce. One year later, the Commission's report, *America's Choice: high skills or low wages!*, reframed the national debate about education, jobs and the economy. The Commission recommended that the United States build a new skills development system to provide our front-line workers with world-class skills and encouraged companies to develop the kind of high performance workplaces that would enable them to compete internationally, while still paying high wages to our workers.

America's Choice made five recommendations —

- *Establish a certificate setting a very high standard for foundation skills for everyone.*
  Find out what is expected of 16-year-olds in those countries where performance is highest in the core subjects in the school curriculum. Award a Certificate of Initial Mastery to all U.S. students who reach that standard. Make sure that the standard is the same everywhere, that it incorporates rigorous academics as well as the ability to apply knowledge to complex, real-world problems, and then establish a policy system in which schools are expected to get all but the severely disabled to the standard.

- *Make sure no one is left out.*
  Require local governments to provide alternative education and job experience programs to enable youth who drop out of school to reach the certificate standard and fund these programs at levels comparable to regular school programs.

- *Build a modern system of professional and technical standards and a system that will enable people to reach those standards.*
  Establish a system of employer-recognized occupational skill standards keyed to the demands of high performance work organizations. Develop a system of combined classroom work and structured, on-the-job training to prepare people of all ages who have received their Certificate of Initial Mastery to reach these new occupational standards.

- *Develop policies and programs to promote the spread of high performance work organization in the workplace.*
  Create incentives and technical assistance programs to induce employers to adopt high performance forms of work organization and help them implement such programs. Require employers to spend a minimum proportion of their payroll on the training of front-line workers.

- *Create a coherent national, state and local labor market system for the entire front-line workforce.*
  Develop a national labor market system in which the states and the local labor markets play the decisive role. Design the labor-market system around the new occupational standards, so that information about the performance of local providers enables customers of the system to make informed choices about which providers to patronize. Make sure that this labor market system is not just for the poor, but is for everyone, that it is designed to provide easy, one-stop access to all the available programs and is recognized as the nation's primary tool for making sure that all Americans have the skills needed to pursue rewarding careers.

The report did not sit on a shelf. Instead, it captured the attention of state and federal policymakers from both sides of the aisle who began to review their education and workforce training policies and programs. The report was to provide a widely accepted framework for reform, and it led to the passage of major legislation that would fundamentally change the nature of schools, training institutions, colleges, universities and businesses as well as improve student performance and the skills of the workforce.

This document is a progress report on these and other reforms that followed the publication of *America's Choice*. And though there is still much work to be done, there is little doubt that the kind of system for investing in people first envisioned in *America's Choice* is taking shape in the United States.

The National Picture

At the national level, an impressive number of the recommendations made in *America's Choice* have been implemented.

Setting Standards and the CIM

The nation has been hard at work developing the standards and assessments needed to support a national certificate system. Two national foundations underwrote the establishment of New Standards, now a 17-state consortium committed to the development of the standards and assessment systems needed to implement the Certificate of Initial Mastery (CIM) system for elementary and secondary schools. New Standards will announce its draft standards in math, science and English language arts in the summer of 1995. It is also well along in the process of developing a performance assessment system to gauge student progress toward the standards at the elementary, middle and high school levels. Incorporated in the New Standards system are standards and assessments for applied learning. Applied learning skills are those skills that are required for success in any high performance workplace.

Meanwhile, seven states have adopted the CIM idea as state policy. More than 50 schools involved in the National Alliance for Restructuring Education, a consortium of five states and four urban school districts, are well along in piloting the CIM idea as a lever for making fundamental changes in educational practice.

Skill Standards and the School-to-Work Transition System

The idea of creating a national system of occupational skill standards was incorporated into the *Goals 2000* legislation in 1994. As this document is being written, a new National Skill Standards Board is about to have its first meeting. The Board is authorized to involve industry groups in the creation of a system of occupational skill standards that meet the needs of employers using high performance forms of work organization.

The 103rd Congress also passed legislation — the *School-to-Work Opportunities Act* — that authorized development of a national system of combined work and structured on-the-job training, leading to mastery of employer-defined skill standards of the kind to be developed by the National Skill Standards Board. States and localities, with funds authorized by this legislation, are now creating the kind of school-to-work transition systems envisioned in the Commission report.

The Labor Market System

The Clinton Administration submitted legislation in the 103rd Congress that would have implemented much of what the Commission thought necessary to create a national labor market system. In its 'one-stop-shop' proposal, the Administration laid the groundwork for developing such a system by making some initial pilot awards to the states to create one-stop centers where workers could learn about available jobs, the skills and credentials needed for those jobs and sign up for quality training. Although the new legislation was not enacted by the Congress, the pilot program already has influenced state policymakers to consider combining the many separate threads of their job training programs into a coherent system. The Administration and the new Congress appear to be moving toward some combination of job training vouchers, program consolidation in block grants and new forms of further education and training entitlements as the way to reorganize the provision of job training in the United States. If any combination of those approaches becomes law, the states will be in a position to establish the kind of client-driven labor market systems envisioned by the Commission, unencumbered by the myriad federal laws that now preclude such an outcome.

Alternative Routes to the CIM

This very positive report does not, of course, encompass all of the recommendations made in *America's Choice*. There has been little interest, at either the state or federal level, in requiring localities to provide alternate routes to the CIM for students who drop out of school. In part, this is because the certificate system does not exist yet, and so

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policymakers are not aware of the need for such alternative routes. It is also the case that big-city school boards are fiercely opposed to a requirement of this sort, fearing that in a zero-sum game funding environment, funding for school dropouts would come at the expense of students in school and the big-city school budgets. A major effort in this area clearly must await the widespread introduction of the CIM system.

Employer Incentives to Train and Reorganize the Workplace for High Performance

There also has been little progress in requiring employers to increase their investment in the training of front-line staff and in developing broad new incentives for employers to implement high performance work organization. Nevertheless, researchers report a steady increase in the proportion of firms using high performance work organization and significant increases by these firms in worker training. Thus, new public policies in this arena may turn out to be unnecessary.

In all, remarkable progress has been made. Much of what the Commission recommended is now incorporated in federal law. New national institutions have been created to carry out key recommendations. A new national labor market system is beginning to take shape. And states can now take the lead in making sure that these new policies actually work.

The State Picture

States have not been waiting for the federal government to act but have been taking full advantage of the framework being created by evolving federal policy to make fundamental changes in the way they do business. This is crucial, because the nature of the federal legislation enacted over the past two years is very different from previous policies. In the past, the federal government created a new program or a new entitlement, designated the beneficiaries, specified the flow of funds and the eligible classes of provider institutions, and released the money. States could do little but administer the funds for which they were responsible within the narrow specifications established by law.

But the new federal policies do not create programs or new, narrowly specified entitlements. Instead, they establish new national institutions, such as the National Skill Standards Board, that can provide resources (such as standards) for state and local use. And they give modest funds and strong encouragement to states to take the decisive steps necessary to reform whole systems of governance and reorganize education and training programs, but do not require them to do so.

The new federal laws are designed to be enabling, to permit wide variation in interpretation, to encourage experimentation in approach and adaptation to local needs and circumstances. The concept is laudable, but it also means that people can interpret it in such a way that very little actually changes.

School-to-work transition legislation, for example, can be used to set up a school-to-work system that enrolls millions of young people in high quality activities, which leave them with a strong education and a wide repertoire of skills. Or it can simply add to the plethora of small, marginal programs for non-college bound youth that provide neither quality education nor strong work skills. The new employment bills can create a whole new 'system' for employment and training that competes with the best Europe has to offer. Or they can make only minor changes on the edges of the non-system that is in place now.

Because this is so, everything now depends on the initiative, imagination and capacity of state government — which is as it should be. The balance of this report examines ways in which the states have seized the initiative and begun to remold their systems for developing the workforce of the future — the workforce needed by American industry to staff high performance work organizations and compete on quality rather than price.

States on the Move

States are hardly starting from scratch. In fact, many have been responding to the needs of the new economy for more than a decade.

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Almost half of the 50 states have passed comprehensive education reform plans that aim to set higher academic standards for their students. Many have created state councils and new departments to better coordinate their training systems. And others are developing one-stop delivery systems for education, employment and training services.

This document examines what some leading states have done. It looks at the reform strategies they have developed, the lessons they have learned and the challenges they still face. While this report focuses on Indiana, Kentucky, Maine, Massachusetts, Minnesota, New York, Oregon, Pennsylvania, Vermont, Texas, Washington and Wisconsin, many other states also have developed solid programs that invest creatively in improving the skills of their workforce and the competitiveness of their businesses.

The states in this report differ because they have taken a systems approach to restructuring their education, employment and training systems. They all recognize two critical principles as the basis for designing their human resources development systems. First, investing only in the skills of the future and current workforce is not enough. Strategies to ensure that companies reorganize work to compete successfully in a global marketplace are just as critical. A common fear in these leading states is that they could spend enormous amounts of money and time improving the skills of their workforce, but the majority of jobs available would continue to be low-skill, low-wage jobs. Second, these states see the delivery of all social services — from child care and education to career counseling and training — as a single system driven by common standards.

What We Looked for And What We Found

States That Set High Standards for Basic Education

States responded positively to the Commission's call to set world-class standards and develop new assessment tools to measure whether students have met standards. Through New Standards, 17 states and six large urban school districts have joined together to design a new performance-driven standards and assessment system for compulsory education. Other states are developing their own new standards and assessments.

Although setting high standards is at the heart of overhauling the education system, it is not by itself sufficient to ensure that students meet the standards. States also are redesigning the way that schools are organized to help students meet the standards. This report examines a number of critical components of school system redesign needed to improve student performance. These include:

- Upgrading curriculum and instructional practices to help students meet new standards;
- Creating opportunities for all students, even those students who drop out of school, to meet high standards;
- Coordinating the planning, financing and delivery of community and social services to support student learning;
- Designing new systems of accountability that hold schools and communities responsible for student performance while leaving it to them to determine how to get students to meet new standards; and
- Reforming systems of education financing to ensure an equal opportunity for all students in all school districts to reach new standards.

Trends

Although the breadth and substance of reform plans differ, all of the states in this report have moved forward on some or all of these essential components of school redesign. All of the states are setting new education standards and restructuring the way schools are organized and held accountable for helping students meet these standards. Minnesota, Vermont, Oregon and Wisconsin started to restructure their systems in the 1980s, but a new wave of reform was spurred more recently by the 1990 National Education Goals and the 1994 *Goals 2000* legislation. Kentucky's court-mandated reforms may be the most sweeping and closely track the criteria listed above.

Oregon and Washington also have enacted comprehensive education reforms, inspired in part by *America's Choice*.

States have used different strategies to set new education standards. Some states have set standards for different grade levels or for high school graduation. Some set standards in academic subjects, some in broader learning areas including social and workplace skills. Most states are now creating new kinds of assessments to measure whether students have met standards, with Vermont leading the way on portfolio systems. Seven states — Oregon, New York, Maine, Vermont, Kentucky, Massachusetts and Washington — are developing a certificate that students would work toward in early secondary school, much like the CIM. Among these states, only Oregon has defined its certificate standards and is developing the assessment system that will allow students to show that they meet the standards. The other states are still designing their certificate system and determining the options that will be available to students once they have received a certificate. Some states also have addressed the issue of providing alternative learning environments for students not doing well in traditional school. Minnesota and Washington stand out; both have created state-wide systems for alternative education.

The emphasis on education standards has led to a rethinking of school management and accountability systems. Almost all of the states in this report are encouraging (or requiring) school-based management, offering schools waivers from state regulations or repealing state regulations. Aside from basic health and safety regulations, schools increasingly are being measured by how well their students do, rather than how well they comply with state regulations of inputs to the education process. The states also are beginning to restructure and equalize their systems for financing schools. Minnesota, Pennsylvania and Wisconsin are among the states shifting the funding burden from the district to the state.

States That Offer Professional and Technical Pathways Leading to an Industry-Recognized Certificate

America's Choice recommended a radical restructuring of how the United States delivers post-basic education and training to students and adults. Once students (or adults) meet the basic literacy standard, the report said that they should be able to choose from among a number of pathways, including technical education and training programs, college prep or early college entry programs, or work. The key, the report said, is to develop industry-recognized standards; thus, whatever pathway they took, students and adults could earn industry-recognized skill certificates that represent skills required in a broad cluster of good jobs or occupations.

This report describes what states have done to create this kind of system of opportunities for Americans to develop the skills they need for the workplace of the future. While the new National Skill Standards Board is just beginning to set voluntary national skill standards, states must create school-to-work transition systems for young people and a training infrastructure for employed, dislocated and unemployed adults. This report looks at how states are:

- Changing the way high schools are organized to offer students access to high quality technical training options;
- Creating new work-based learning experiences that lead to industry-recognized credentials;
- Opening new pathways to higher education for those who opt for technical and professional training; and
- Offering better coordinated and higher quality adult training programs for unemployed, displaced and employed workers.

Trends

Many states have been working to improve the technical and professional training options offered to high school students as an alternative to the college preparatory curriculum. Until 1994, states have moved towards this goal by creating youth apprenticeship and tech prep programs, eliminating the general track in high school, and

integrating vocational and academic learning. With the federal school-to-work grants of 1994, however, the states have begun to pull these efforts together into a more comprehensive system of options for young people. State leaders are now thinking differently about how to shape their systems, both within high school and at the post-secondary level. Oregon and New York are defining career majors within high school, while Maine and other states are offering combinations of secondary and post-secondary technical education and training options, each making up a single route to certification.

Efforts to better coordinate adult training have been on the agenda in several states. Many of these same states also have created new governance structures to consolidate different training programs. Some, like Wisconsin, have focused on improving basic skills and literacy training for adults; others, like Maine and Indiana, have created incentives and training funds for current workers to increase their skills. But few states have linked their emerging school-to-work system with their system for training employed or unemployed adults. States that have developed regional structures for employment and training, such as Oregon and Massachusetts, have placed their school-to-work systems under the oversight of these regional organizations, linking school-to-work to the broader employment and training system. In addition, the higher education institutions in a few states are considering new kinds of admissions systems to bring higher education in line with the standards-based basic education systems and to allow new routes to higher education for those who choose technical or professional pathways. These states include New York, Wisconsin and Oregon.

States That Help Industry Corner the Quality Market

State economic policy must be comprehensive and aggressive — comprehensive in that it uses many different (but coordinated) strategies for encouraging and supporting industry to do the right thing, and aggressive in that those strategies involve high quality assistance, strong incentives and strong management of the state initiative. Each profile in the report begins with a description of strategies that the state has used to support its industries and to assist companies to reorganize work around high performance practices. The report also describes how these strategies are linked to the education and training agenda. All of these strategies require states to rethink their role in the economy and their relationship with the private sector. They require the state to form partnerships with the private sector to work toward common goals.

Trends

Some states have responded by funding flexible networks of companies to do joint training or research, organizing industry associations to focus on specific competitiveness issues, creating training funds that require companies to upgrade technology and skills, and developing forums and other educational and technical assistance programs to help companies understand how high performance work organization can increase their competitive edge. The most innovative states have coordinated these programs into a broad strategy that assists both large and small companies across a diverse group of industries to use high performance work practices and improve the skills of the front-line workforce.

For example, Oregon has developed a comprehensive strategy to support 13 industries that are essential to the state's economic competitiveness. Other states, while not targeting industries, have begun to organize significant resources to assist companies to upgrade technology and reorganize their workplaces. Wisconsin, New York and Pennsylvania are the leaders, particularly in their support for the manufacturing industry. This push to strengthen the state economy by strengthening existing industries is a relatively recent development. Most states still believe that the primary purpose of state economic development is to bring new business into the state.

States That Are Building a Market for Employment And Training Services

Finally, states need to create genuine labor market systems. A labor market system as envisioned in *America's Choice* would have a number of key components:

- A governance mechanism to set state policy for all employment and training services;
- A method for linking education policy to labor market policy;
- A governance structure at the regional level to oversee training in the regions (including school-to-work transition programs, basic skills training and upgrade training); and
- A system of one-stop centers to provide a single means of access to employment and training services and programs for any citizen in the state, not just the most disadvantaged. These centers would be monitored by the regional boards.

The one-stop centers would offer career counseling, job matching, training program information, universal enrollment forms and a determination of all of the education and training funds for which each individual is eligible. The system would be driven by an on-line labor market information network that would enable clients to make informed choices among education and training programs offered by providers based on their track record. The system also would provide information to clients concerning employment forecasts and job openings. This kind of information would be far more detailed than the information that any state currently maintains, and for the first time would be available in a unified, accessible format. At a minimum, a comprehensive information system needs to:

- Make data and employment trend forecasts from the State Occupational Information Coordinating Council available throughout the state;
- Support the one-stop system by making all updated eligibility requirements for all relevant state and federal programs available on-line to local case managers;
- Support the one-stop system by enabling the case managers to enroll their clients for all relevant training and related programs on-line;
- Enable the local and state labor market boards to collect and aggregate data related to providers' costs and effectiveness and clients' success and attrition rates; and
- Track the way funds flow through the state-wide system.

Trends

Although this kind of labor market system is well established in Europe, it is new for the United States. However, states across the country are making real progress in building them. Almost all of the states in this report have created new structures to coordinate workforce development at the state level. Many have created Human Resource Investment Councils, which consolidate all of the federally funded training programs and the councils that oversee them. Others have umbrella councils to help coordinate programs. The most active entities coordinate workforce development programs, policies and funding; advise the Governor; and oversee regional workforce development efforts. Not all states have assigned their coordinating bodies such broad authority.

A few states with new state councils also are creating regional governance structures. Texas, Massachusetts and Oregon have formed regional councils and have assigned them a broad range of responsibilities for coordinating regional workforce development initiatives and overseeing the creation of a one-stop delivery system. Kentucky, like some others, has formed councils with the specific responsibility of overseeing school-to-work transition programs, but hopes to broaden their responsibilities to include more areas of workforce development in the future. Defining the roles and responsibilities of the local governance structures will emerge as an issue in many states during the next few years.

Supported by new federal grants from the United States Department of Labor, many states have created a variety of types of one-stop delivery systems for employment and training services. Many of the one-stop delivery systems now in place, however, only offer unemployment insurance and traditional employment services and serve only recipients of public assistance or unemployment benefits. Others offer general information about training and education programs, but have not created a system to enable clients to easily enroll in the most appropriate program. It will be a challenge for states to build on the solid foundation of their current initiatives and

broaden them to include case management, quality information and on-line enrollment.

Finally, almost all states have recognized the need to improve the labor market information that underpins this system. Many states have moved toward this goal by improving coordination of the often separate and overlapping databases of information. But despite the widespread recognition that current systems do not meet the needs of the labor market, few states have plans to create a comprehensive system that would include detailed information about provider performance (including costs, success and attrition rates, and placements). Many have limited their reform efforts to computerizing and linking currently available information. This is an important first step, but policymakers and clients need high quality information that allows them to make informed decisions about which programs to enroll in.

Some Lessons About the Process of Reform

Each state has taken a different approach to create a system to invest in people. Some initiatives have been led by Governors, others by state agencies. Some states have chosen to pass comprehensive workforce legislation, while others began by overhauling their education system. No one model is best, and no two states have followed the exact same strategy. No state is so far along in the reform process that it has nothing to learn from others. Some common lessons can be drawn from the experience of the leading states.

It Starts With Leadership

States with Governors who champion efforts to upgrade education and training and develop competitive economies have broader and more coherent reform strategies. Texas and Washington are cases in point. Under the leadership of former Governor Ann Richards, Texas established a high-level task force on workforce development. The group proposed comprehensive workforce development legislation, which created a permanent Human Resources Investment Council to oversee a comprehensive system for the state. Likewise, Governor Booth Gardner of Washington spearheaded the workforce development agenda and led the education reform initiative, both of which resulted in the passage of comprehensive legislation. In states where each piece of reform has to be championed separately by different groups, they are less likely to be woven together into a coherent state strategy.

The Reform Effort Must Be Inclusive

Reforming just one piece of the system is not enough. States that started their reform efforts early tended to focus on reforming one piece of the system at a time, such as basic education or adult training. But successful states have learned that improving student performance and upgrading skills to meet the needs of a competitive economy must be the goal of all of the state agencies that provide social services, not just certain programs within one agency. And states have learned that this is not just about rearranging the deck chairs. States have learned that it is important to define one common mission that drives the work of all the state agencies that support human resources development, with common measures of success and coordination of services.

Build a New Social Compact

State governments have recognized that they have little hope of changing the system alone. Strong participation from business and labor leaders, educators, training providers and government is essential. Recently, states have begun to recognize that the private sector has been the missing partner in planning and implementing state-wide workforce development systems. Yet few states have figured out how to help organize a significant private sector voice in these systems. Involving employers in school-to-work transition programs and the development of skill standards and work-based learning experiences is especially challenging. States have found that unless industry leads school-to-work transition efforts, significant numbers of students will not have the chance to participate in new kinds of work-based learning programs. More importantly, students

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who choose technical pathways created without substantial input from industry will not receive the recognition from the business community that is essential to succeed in the real world.

States also have struggled to identify the proper role in promoting the adoption of high performance work practices. Excessive involvement would alienate industry and be counterproductive. One way state government can contribute is by showcasing best practice companies that have improved performance, increased quality and invested in their front-line workforce. The leaders of these companies are often willing to work with other business executives one on one. This strategy has led to groups of companies banding together to spread the word within their industry.

Base Reform on Evidence

Successful state leaders were able to champion a new strategy to invest in people because they had data to support their efforts. Most states began with task forces or committees, which analyzed the condition of the state's economy and its education and training system. Multiple reports often were released by different groups, confirming the need to create a better coordinated education and training system, and leading to a broad base of support for legislative proposals. Collecting data to monitor the progress of reform is also a powerful tool to maintain support for reforms over the years it takes to implement changes. Oregon's Progress Board was created specifically for this purpose and set 'benchmarks' that the state used to measure progress. Many states also have created common program performance measures for education and training programs so that the state can determine if programs are effective.

Engage the Public

Sustained public engagement strategies must be a serious part of any state's reform plan. Surveys and focus groups have made it clear that the public does not intuitively grasp the kinds of changes that are needed in the worlds of education and workforce training. People do support these changes once they are clearly explained, but without that understanding, some segments of the public may resist. States have learned that it helps a great deal to 'listen first' with focus groups or surveys before announcing major changes: to clearly understand what the public's primary concerns are and how they are likely to feel about changes in state policy. Policymakers sometimes shy away from reforms that may be controversial even though there is public support for them, and they sometimes embrace other reforms without understanding the depth of public opposition. The clearest lesson states have learned is that it takes consistent effort to engage the public in these changes and build support for them. It takes hard work to make sure that the need for change is communicated well, that the changes are explained in clear, jargon-free language, that the messages are repeated often, and that the views of the public are solicited and listened to, not ignored. The payoff for this work, however, is substantial.

Some Lessons About the Design Of the System

Emphasize Academic Rigor

There is broad consensus that today's students need to graduate with the higher level skills required in the new workplace. State standard-setting efforts reflect this agreement. State leaders want students to be able to write a business letter, organize their resume or succeed in a job interview — all important skills. But it is critical that states also state clearly and continuously that their efforts are focused on setting academically rigorous standards. Emphasizing that students will be expected to master the basic subjects such as mathematics, English, history and science is important at a time when students will be showing that they have mastered these subjects in ways that are unfamiliar to most parents and the public. For all of the flaws in the current assessment system, people believe they understand the norm-referenced, multiple-choice tests that schools use now. To help them get ready for new assessment tools — such as portfolios, projects and exhibitions — states must give the public opportunities to see student work and read about the new system in language that the non-specialist can understand.

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It's Time to Transform Our High Schools

It would be relatively easy to give a couple of students in a few high schools the opportunity to work in a publishing house for a few weeks or beef up the academic requirements for vocational education students and call it quits. But *America's Choice* had a much more revolutionary idea in mind. The report recommended a school-to-work transition system that will allow students who are armed with core academic and work readiness skills to choose among a number of pathways that will lead to industry-recognized credentials and college credit. This is a tough order when school districts and educators have had limited opportunities to work directly with the corporate community, particularly in designing curricula and offering workplace experiences to large numbers of high school students.

In states that are making progress, where significant numbers of students are being offered new kinds of learning opportunities after they have mastered the basic skills, there are three common elements. First, the relationship between work and school starts in the early grades, well before high school. Second, workplace skills are an important part of the standards that students are expected to meet, first by mastering core academic and work readiness skills and then by working toward skill standards set mainly by employers. And third, the work-based learning experience offered to young people is clearly linked to school-based learning, and both kinds of experiences lead to an industry-recognized certificate and college credit or a degree.

Hold Standards Constant and Let Pathways Vary

Determining what kind of technical pathways to create for young people is complicated in a sophisticated and ever-changing economy. But one thing is clear. The National Skill Standards Board will begin its work in 1995 to develop a system of standards that cross occupations and perhaps industries for front-line jobs in the economy. These are the skill standards that students would be working toward, whether post-CIM pathways are organized by career majors, occupational clusters, career academies, tech prep programs or youth apprenticeships.

Consolidating Programs Is Not Enough

Many states are working toward building labor market systems that reduce the chaos of separate training programs and make it easier for customers to access the programs and resources they need. But getting rid of duplication is not enough. The new labor market system must reorganize a loose collection of programs, each with its own legislative authority, funding stream and administrative rules, into a customer-driven system of local labor markets focused on results for its customers. For states to design this kind of system, the responsibilities of every level of governance and the standards at every level of the system must be clear and based on outcomes, not inputs.

Push for Competition Among Training Providers

The role of the one-stop centers is to provide comprehensive labor market information, career counseling, registration for programs and services, and determination of funding eligibility. This brokering service should not be provided by the same institution that delivers education and training services. It is among these service providers where the real market needs to be developed. Clear performance standards and information on provider performance against those standards will enable clients to decide which provider to choose. In this case, market pressures would offer strong incentives to providers to continuously improve performance while controlling costs without government regulation of their programs.

Make Sure That Labor Market Information Is Market Oriented

Easy access to labor market information to help clients make good choices about training programs is just the beginning. Many states have computerized their information and have made it easily available throughout the state. But if clients are to be given a real choice, what they need goes well beyond what most states make available now. The information they need must include: job placement rates; performance and outcome information such as costs, success, attrition rates and placements; skill certificates obtained; and ratings from former trainees.

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About the Report

What follows is a description of the progress that 12 states have made to restructure their education, employment and training systems. The state profiles are based on both written state documents and interviews with key officials in state agencies and governors' offices. The research was conducted from 1993 to 1995. New initiatives are constantly being developed, and progress on earlier reforms is just being reported. Our idea was not to catalogue every single program in every state, but to provide a sense of the approach and significance of the reform efforts in four key areas: economic development policy, basic education reform, the post-basic education and training system, and the development of a labor market system. Each profile gives a broad picture of what the state is doing in these four areas, how the reforms fit together, and the strengths and weaknesses of the state strategy. We hope that states designing new systems to invest in people can learn from and improve on the innovations described in this report. It is only through states' willingness to fundamentally change their systems for educating and training their citizens that the goals of *America's Choice* will be reached.

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STATES AT A GLANCE

INDIANA

KENTUCKY

MAINE

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STATE REFORM STRATEGIES

	Economic Policy	Basic Education	Post-Basic Education	Labor Market System
IN	• Created a research and development fund to support collaborations among firms and among industries to increase industrial competitiveness • Included guidelines in the state training fund to promote high performance work practices • Created the Indiana Quality Initiative to support small and medium sized businesses	• Identifying core academic knowledge and work readiness skills • Developing curriculum frameworks in subject areas linked to the core knowledge and skills • Developing an assessment system with performance based components linked to the core • Developing a 10th grade Gateway Assessment • Requires an annual school performance report on student achievement • Offers schools a site based management option	• Creating two-track high schools (academic prep and technical prep), both fulfilling the admissions criteria for state higher education institutions • Creating state technical and academic certificates for students in high school and post-secondary education • Allows dual credit for courses in secondary and post-secondary institutions • Established a state training fund for incumbent workers	• Established a state Human Resource Investment Council • Created a network of Workforce Development Centers offering education and training services and information
KY	• Creating manufacturing networks in key sectors of the economy • Developed the state's first economic development plan	• Identified six learning goals for students that include core academic knowledge and work readiness skills • Developed a performance based assessment system linked to the learning goals • Developed a state curriculum framework organized around the learning goals • Developing a 10th grade Certificate of Initial Mastery as part of the school-to-work effort • Created a network of Family and Youth Service Centers to provide social services at or near schools • Tied the school accountability system to academic achievement • Requires school-based decision-making councils at all schools	• Created a task force on high school restructuring • Considering 12th grade Career Major Certificates for high school students in work-based learning programs • Allocated funds to support customized industry training programs	• Created the Workforce Development Cabinet to coordinate adult job training programs • Formed the Workforce Partnership Council to oversee implementation of the school-to-work and one-stop center systems • Creating local school-to-work councils in labor market regions
MA	• Identified key industries in labor market regions of the state • Creating manufacturing networks to support small and medium sized businesses in key industries • Established a state quality award	• Identified work readiness skills for all students • Identifying core academic knowledge in subject areas • Developing a performance-based assessment system linked to the academic core • Developing a 10th grade certificate • Implementing a state wide school linked services program • Initiated site-based management at schools • Passed charter school legislation	• Eliminated the general track in high school • Developing 12th grade academic and occupational skills certificates • Requires vocational education programs to include work based learning • Allows dual credit for courses in secondary and post-secondary institutions	• Created the MASSJOBS Council which became the state's Human Resource Investment Council • Created Regional Employment Boards in local labor market areas • Assigned local oversight of the school-to-work and one-stop center systems to Regional Employment Boards

STATE REFORM STRATEGIES

	Economic Policy	Basic Education	Post-Basic Education	Labor Market System
ME	• Created an Economic Progress Council to develop a high skills, high wage economic strategy for the state • Establishing benchmarks for meeting economic goals • Developing a technical assistance program to help industry adopt high performance work practices • Added incentives to state training fund for companies to adopt high performance work practices	• Identified a common core of academic and work readiness skills • Developing content standards and curriculum frameworks in academic areas based on the common core • Developing a performance-based assessment system • Piloting a 10th-grade Certificate of Core Mastery • Offers the option for school districts to implement site-based management	• Creating two-track high schools (academic prep and technical prep) • Offering six options for technical track, including youth apprenticeship, tech prep and cooperative education • Launched a state youth apprenticeship program • Revamping the technical college curriculum to meet the skill demands of the new economy • Allows adults to receive a high school diploma • Considering linking higher education admissions criteria to the common core	• Created a state Human Resource Development Council to advise the Governor on employment and training policy • Expanding a state one-stop center model • Piloting an automated case management system at employment service offices
MN	• Initiated a technical assistance program to increase competitiveness of targeted industries • Created a public/private group to support adaptation of state industries to new technologies • Created a state Equity Fund to encourage the adoption of new technologies by companies • Supporting a state manufacturing center to provide technical assistance to manufacturers	• Developing new graduation requirements • Developing assessments with performance-based components linked to new graduation requirements • Created a state-wide system of alternative learning centers • Created an enrollment options program to allow students the flexibility to choose between schools and other learning environments • Created a network of Family Resource Centers linked to schools • Requires site-based management of schools • Passed charter school legislation	• Allows dual credit for courses in secondary and post-secondary institutions • Improving career counseling in high school • Created a state youth apprenticeship program • Created a Job Skills Partnership Board to oversee all training programs • Created a training fund for displaced workers	• Proposing a Human Resource Investment Council in 1996 • Created regional Family Service Centers offering one-stop access to employment and training services for the economically disadvantaged
NY	• Created manufacturing sector assistance programs • Established a state quality award • Funds collaboratives among firms and among industries • Targeting industry assistance programs to strategic industries	• Identifying core academic knowledge and work readiness skills • Developing curricula framework in subject areas based on this core • Developing a performance-based assessment system linked to these frameworks • Piloting a 10th-grade certificate • Funding efforts to link schools to social and community supports state wide • Requires shared decision making at schools	• Eliminating the general track in high school • Creating career majors for 11th and 12th grade • Included guidelines to promote high performance work practices in the state training fund for incumbent workers • Developing a total quality management curriculum in the state university system	• Created an umbrella council (the Human Resource Council) to coordinate different employment and training councils • Created a Human Investment Sub-Cabinet to improve JTPA program delivery • Supporting the local coordination of employment services and labor market information state wide

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STATE REFORM STRATEGIES

	Economic Policy	Basic Education	Post-Basic Education	Labor Market System
OR	• Created state programs to support training in key state industries • Created flexible networks in key industries • Developing a state quality award • Organizing industry associations to promote high performance work practices • Established the Oregon Quality Council to promote high performance work practices	• Identified academic content standards in broad learning areas • Creating curriculum frameworks in the broad learning areas • Developing a performance based assessment system with a 10th grade certificate linked to standards • Developing a state wide system of alternative learning centers • Developing a system of Family Service Centers at or near schools • Requiring a school site council at every school	• Restructuring 11th and 12th grades around six career majors leading to a 12th grade certificate • Expanding the youth apprenticeship initiative to non-traditional sectors • Considering competency based admissions for higher education • Creating a state wide system of skill centers for adults at community colleges • Developing a total quality management curriculum in the state community college system	• Created the state Workforce Quality Council and regional committees to oversee all state education and training programs • Encouraging regional committees to develop one stop centers • Developing common performance measures for state training programs • Linking databases of all 10 state agencies involved in workforce development
PA	• Created manufacturing sector assistance programs • Convened public/private groups to create a state economic strategy • Created a state wide network of regional centers to support industrial development	• Set six goals and new high school graduation learning requirements • Adding performance based components to the state assessment system • Developing Family Service Centers at schools • Requires service learning for all students	• Encouraging districts to eliminate the general track in high school • Integrating oversight of all work-based learning programs, including tech prep and youth apprenticeship • Improving career information in high schools • Supporting skill upgrading of incumbent workers through a training fund • Supporting adult literacy training	• Created a state wide system of Job Centers for unemployment services and job services information • Created one stop centers for social and employment services to public assistance recipients
TX	• Established a state quality award • Charged the Human Resource Investment Council with developing strategies to promote high performance work	• Identified work readiness skills • Identified core academic knowledge and developing curriculum frameworks in subject areas based on the core knowledge • Developing a performance based assessment system • Requires site based decision making of all schools • Requires annual district and school performance reports	• Requires exit exams for high school graduation • Developing skill certificates for different occupations • Considering career majors for students in school to work programs • Created a training trust fund for dislocated workers	• Created a state Human Resource Investment Council, called the Texas Council on Workforce and Economic Competitiveness • Establishing regional workforce development boards • Implementing a system of one stop centers for employment and training services state wide • Proposed the creation of a new agency to oversee all workforce development programs • Developing common intake forms and performance measures for education, employment and training programs • Creating a new labor market information system to support one stop centers

STATE REFORM STRATEGIES

	Economic Policy	Basic Education	Post-Basic Education	Labor Market System
VT	• Created the Economic Progress Council to develop a 10-year economic development plan • Created regional planning commissions to focus on regional economic development	• Identified work readiness skills and core academic knowledge • Creating a curriculum framework that includes content standards in core academic knowledge and work readiness skills • Developing a performance-based assessment system linked to the core skills and academic knowledge • Restructuring the state system for delivery of child and family services	• Offers free adult basic education to any resident without a diploma • Established an adult diploma based on demonstration of skills rather than accumulation of course credits • Considering career majors for students in school-to-work programs	• Established a state Human Resource Investment Council • Developing workforce investment boards at the regional level • Developed a plan for state-wide regional one stop centers
WA	• Providing technical assistance and training to companies in key industries • Developing flexible networks in key industries • Consolidated the Community Development Department and the Trade and Economic Development Department to better coordinate economic policies	• Identified work readiness skills • Identifying core academic knowledge in subject areas • Developing a state-wide performance-based assessment system linked to the core academic knowledge • Developing a Certificate of Mastery • Created a network of alternative education centers for youth • Piloting site-based management at schools	• Piloting projects to integrate academic and vocational curriculum • Allows dual credit for courses in secondary and post-secondary institutions • Considering a performance-based admissions system at state higher education institutions • Created a training trust fund for dislocated workers	• Created the Washington Training and Education Coordinating Board to coordinate employment and training policies and programs • Considering the development of regional governance structures • Planning to create state-wide regional one-stop centers; some pilots already are operating • Developing common policies and delivery systems for education, employment and training programs and services • Developing benchmarks for workforce education and training programs
WI	• Promoting high performance work practices through a public campaign • Providing technical assistance and technology upgrading to increase the competitiveness of manufacturing industries • Included guidelines in the state training funds to promote high performance work practices	• Identified work readiness skills • Developing curriculum frameworks in academic areas tied to broad skill areas • Developing a performance-based assessment system with a 10th grade Gateway Assessment linked to the standards and frameworks • Piloting a school linked social service delivery system • Developing a school accountability system linked to student performance • Requires site-based management of schools • Passed charter school legislation	• Creating career majors for 11th and 12th grade • Allows dual credit for courses in secondary and post-secondary institutions • Piloting performance-based admissions standards in state higher education institutions • Developed a network of workplace training centers for incumbent workers	• Created a state Human Resource Investment Council • Creating local human investment boards • Creating a state wide system of one-stop job centers • Improving the labor market information system to help Wisconsin citizens choose between employment and training programs

STATE STATISTICS

STATE	1994 Unemployment rate	1993 Poverty rate	1993 Median household income, adjusted dollars	1993/94 % growth in annual average employment	1993 average weekly earnings in manufacturing	1990 % population 16-19 not in school and with no diploma or GED	1990 % population over 25 whose highest degree is high school diploma	1990 % population over 25 with associate's degree	1990 % population over 25 with a bachelor's or advanced degree
INDIANA	4.9	12.2	$29,475	1.7	$388.76	11.4	38.2	5.3	15.0
KENTUCKY	5.9	20.4	$24,376	2.0	$495.43	13.3	31.8	4.1	13.6
MAINE	7.0	15.4	$27,438	1.6	$482.65	8.3	37.1	6.9	18.8
MASSACHUSETTS	6.1	10.7	$37,064	2.9	$522.26	8.5	29.7	7.2	27.2
MINNESOTA	3.8	11.6	$33,682	2.8	$515.91	6.4	33.0	8.6	21.9
NEW YORK	7.1	16.4	$31,697	1.0	$498.54	9.9	29.5	6.5	23.1
OREGON	5.8	11.8	$33,682	3.2	$495.77	11.8	28.9	6.9	20.6
PENNSYLVANIA	6.2	13.2	$30,995	1.1	$518.90	9.1	38.6	5.2	17.9
TEXAS	6.4	17.4	$28,727	3.2	$478.96	12.9	25.6	5.2	20.4
VERMONT	4.5	10.0	$31,065	1.4	$467.11	8.0	31.6	7.2	24.3
WASHINGTON	6.1	12.2	$35,655	1.8	$578.78	10.6	27.9	7.9	22.9
WISCONSIN	4.5	12.6	$31,766	2.2	$526.19	7.1	37.1	7.1	17.7
NATIONAL	6.1	15.1	$31,241	N/A	$506.52	11.2	30.0	6.2	20.3

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1989
Indiana creates the Strategic Development Fund to support collaborative projects among groups of companies to increase industrial competitiveness.

1990
The Governor launches Workforce Indiana, a strategy to build a highly skilled, world class workforce to keep Indiana's economy competitive.

The Department of Workforce Preparation is created, consolidating the Commission on Vocational Technical Education, the Department of Employment and Training Services and the Office of Workplace Literacy.

1991
Indiana consolidates all training funds for incumbent workers in the Training 2000 fund, and it adds incentives to promote high performance work practices.

1992
Workforce legislation mandates restructuring the basic and technical and professional education systems. The restructuring includes the development of new academic and technical standards, a new performance based assessment system and a 10th grade Gateway Assessment.

1993
The Governor creates a Human Resource Investment Council to coordinate the state's workforce development efforts.

ECONOMIC INDICATORS (Population 5,713,000)

Unemployment[1]	Rate	(1988) 5.3%
		(1994) 4.9%*
	U.S. Rank	(1994) 21**
Poverty[2]	Rate	(1989) 14.0%
		(1993) 12.2%
	U.S. Rank	(1993) 21
Job growth[3] (full- and part- time)	Rate	(1990-91) -0.5%
		(1993-94) 1.7%
Median household income[4]		(1988) $32,116
		(1993) $29,475
	U.S. Rank	(1993) 30

*Jan through November '94 **1 lowest

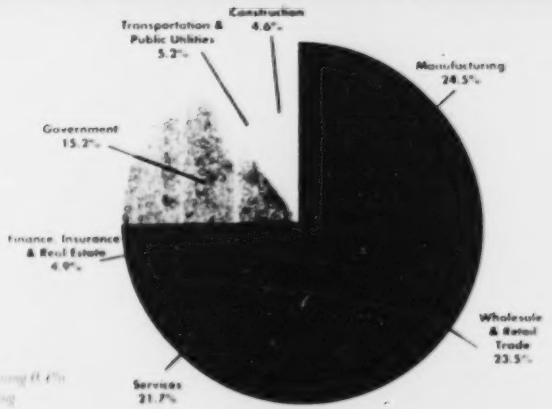
Source:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economic Statistics Division, adjusted dollars

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	11.4%
	U.S. Rank	13*
Percent of population over age 25 whose highest degree is high school diploma	Rate	38.2%
	U.S. Rank	3
Percent of population over age 25 with an associate's degree	Rate	5.3%
	U.S. Rank	23
Percent of population over age 25 with bachelor's or advanced degree	Rate	15.6%
	U.S. Rank	44

*1=highest
Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



*remaining 0.4% is mining

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	6.2
Wholesale and Retail Trade	1.6
Services	+3.9
Finance, Ins. and Real Estate	+1.0
Government	+2.6
Transportation and Pub. Util.	1.2
Construction	+1.3

STATE STRATEGY AND CHALLENGES

Indiana has taken significant strides to develop a coordinated quality education and training system for its citizens. The state is setting new standards for all academic subjects, developing a new assessment system linked to those standards, creating a single set of credentials for technical education, and expanding and upgrading technical education options for both young people and adults. With a new Human Resource Investment Council and a state-wide network of Workforce Development Centers, the state also has been working to better coordinate and make accessible employment and training programs and services. Upgrading the labor market information system and developing a one-stop delivery system that offers information, services and opportunities for enrolling in programs are challenges the state still faces. In addition, the state has made some efforts to improve the competitiveness of companies at the state level, but this has not yet been linked to a broad effort to restructure state industries to provide high skill, high wage jobs.

"Standards and assessments are the cornerstone, not only of the workforce development strategy, but of our total reform initiative — that is, curriculum, instruction and assessment will all change dramatically. We intend to provide considerable professional development to prepare teachers and students for the new standards and assessments.

"Begin discussions early and involve all parties. Take the time and effort necessary to build support within and outside the political and bureaucratic structures. Make the process as inclusive as possible."

Stan Jones
Executive Assistant
Higher Education and Workforce Development
Office of the Governor

"For states considering undertaking comprehensive reform they need to just do it. Develop reform proposals, start talking it up with all concerned groups and then adjust as you go. The important part is to start.

"Indiana's reform process has been especially important to the state because it has built new partnerships and new alliances with groups that ought to be working together and has given a much broader view to our mission."

Bill Christopher
Director of Education Policy
Office of the Governor

KENTUCKY AT A GLANCE

1989
The state Supreme Court declares Kentucky's school system unconstitutional.

1990
The Legislature passes the Kentucky Education Reform Act (KERA) overhauling the entire school system. KERA mandates the creation of a new performance-based assessment system tied to six learner education goals and 75 academic expectations, as well as a new accountability system that measures a school's success based on its ability to help students meet the academic expectations.

The Legislature creates a Workforce Development Cabinet to unify and integrate adult education and job training programs.

1994
Kentucky wins a federal school-to-work implementation grant and a one-stop center planning grant.

Kentucky creates the Workforce Partnership Council to oversee implementation of the state's school-to-work system. Oversight of a new one-stop center system for education, employment and training services is also assigned to the Council.

Results of the new assessment system show dramatic progress in most subjects for the second consecutive year.

ECONOMIC INDICATORS (Population 3,789,000)

Unemployment[1]	Rate	(1988) 7.9%
		(1994) 5.9%*
	U.S. Rank	(1994) 32**
Poverty[2]	Rate	(1989) 16.2%
		(1993) 20.4%
	U.S. Rank	(1993) 47
Job growth[3] (full- and part- time)	Rate	(1990-91) 0.3%
		(1993-94) 2.0%
Median household income[4]		(1988) $24,316
		(1993) $24,376
	U.S. Rank	(1993) 47

*Rate through November '94 **Lowest

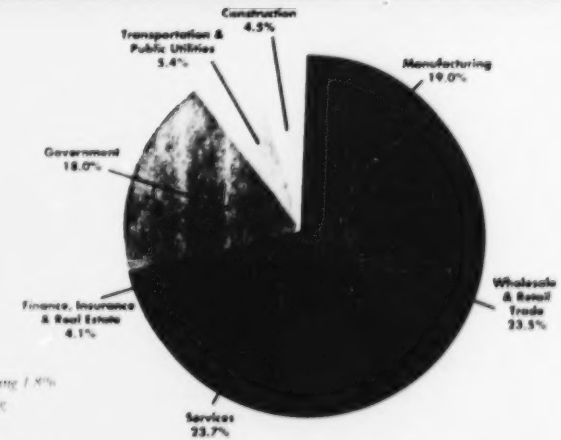
Source:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economic Statistics Division, adjusted dollars

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	13.3%
	U.S. Rank	7*
Percent of population over age 25 whose highest degree is high school diploma	Rate	31.8%
	U.S. Rank	17
Percent of population over age 25 with an associate's degree	Rate	4.1%
	U.S. Rank	28
Percent of population over age 25 with bachelor's or advanced degree	Rate	13.6%
	U.S. Rank	48

*Highest
Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



*remaining 1.8% is mining

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-4.0
Wholesale and Retail Trade	-2.5
Services	+8.5
Finance, Ins. and Real Estate	-2.4
Government	+1.8
Transportation and Pub. Util.	-0.7
Construction	-2.2

STATE STRATEGY AND CHALLENGES

Kentucky leads the nation in its effort to restructure its schools. The 1990 Kentucky Education Reform Act (KERA) called for a complete restructuring of the education system. Kentucky has identified broad learning goals for students and more specific academic expectations. The state also has developed a state-wide assessment system that measures what students know and how well they can apply what they know. In addition, Kentucky is implementing a school accountability system linked to student performance. With an implementation grant from the federal government, Kentucky also is creating new options to help young people make the transition from school to work, further education or training. To guide their school-to-work effort, Kentucky created a state Workforce Partnership Council and regional school-to-work partnership councils. The Workforce Partnership Council is also overseeing the development of a system of one-stop centers that will provide information and referral services on education, employment and training programs to employers, workers and the unemployed. A key challenge facing the Bluegrass State is to focus its economic development strategies on strengthening state industries and linking these strategies to investments in the skills of the workforce.

"Even in the recent past, workforce training has not been viewed by the public, decision makers or business and industry as a critical area of public policy. This is compounded by the fact that these issues are new to the public stage. Thus, promotion of the challenges of workforce training are a must. The combined changes in technology, work organizations, demographics and global competition place the 1990s as a truly evolutionary period.

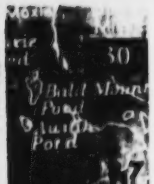
"The most challenging aspects of the reforms have been dealing with the complexity of workforce preparation issues. They can't be simplified, for they are not simple. Another challenge has been getting enough attention to an area of public policy that has been a well-hidden secret. Workforce development issues involve an intertwining of the private and public sectors, where ground rules are new, and the respective responsibilities of each sector have not been well defined."

William Huston
Secretary
Workforce Development Cabinet

"Kentucky teachers have had the most significant influence on developing and implementing education reform. They have played a leading and key role in the design and implementation of education reforms at every level — from the state level down to the local school level.

"We have learned in Kentucky that the keys to success in reforming the education and employment and training systems are: 1) getting the legislative leadership involved and committed to the reform process, 2) involving parents and teachers and 3) developing a systemic approach to reform and sticking to it."

Tom Boysen
Commissioner of Education



**...man Resources ...elopment Council is ...ated to replace the State Job Training Coordinating Council and oversee employment and training programs and policies.

1990

Maine's *Common Core of Learning* is released defining the academic knowledge and work and social skills all Maine students should know and be able to do to graduate from high school.

1991

Maine's Challenge recommends overhauling the education system, restructuring opportunities for non-college bound students, creating a system of academic and technical and professional certificates and developing an economic strategy to create high wage, high skill jobs.

1992

The Governor establishes the Economic Growth Council to develop an economic recovery strategy for the state.

Maine launches a state youth apprenticeship program.

1994

Maine wins a federal school-to-work implementation grant.

MAINE AT A GLANCE

ECONOMIC INDICATORS (Population 1,239,000)

Unemployment[1]	Rate	(1988) 3.8% (1994) 7.0%*
	U.S. Rank	(1994) 44**
[illegible]	[illegible]	[illegible]
Job growth[3] (full- and part- time)	Rate	(1990-91) -4.0% (1993-94) 1.6%
[illegible]	[illegible]	[illegible]

*year through November '94 **1=lowest

Sources:

1. *U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics*
2. *Population Bureau, Office of the Census*
3. *U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey*
4. *Department of Commerce, Household Economics Statistics Division, adjusted dollars*

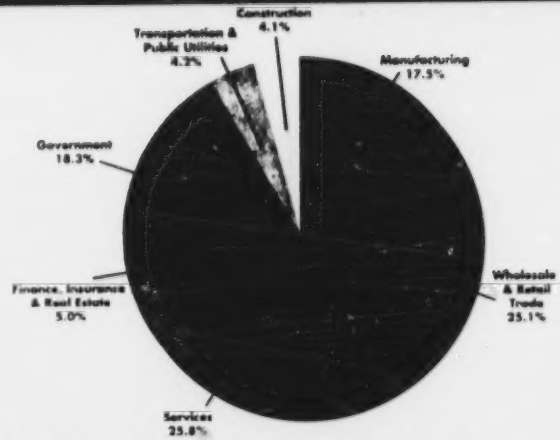
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate U.S. Rank	8.3% 28*
[illegible]	[illegible]	[illegible]
Percent of population over age 25 with an associate's degree	Rate U.S. Rank	6.9% 12
[illegible]	[illegible]	[illegible]

*1=highest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993)



Percentage Change in Employment 1989-1993

Manufacturing	-9.9
Wholesale and Retail Trade	-1.4
Services	+12.4
Finance, Ins. and Real Estate	+7.1
Government	+5.4
Transportation and Pub. Util.	+4.4
Construction	+77.6

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

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STATE STRATEGY AND CHALLENGES

Maine is committed to creating a new system for investing in people. Limited funding and an economic recession have, however, made it difficult to implement comprehensive reforms in the state. Still, Maine has made significant progress. It has developed a broad education restructuring agenda, which includes setting new academic standards, creating a new assessment system and developing a new academic certificate. Maine also is designing a school-to-work system offering structured technical training pathways for young people. This effort is supported by a federal school-to-work implementation grant. The state has not moved as quickly on the design of a comprehensive labor market system. Its plans, however, include replicating one-stop employment and training service centers across the state. Maine also is considering creating a unified state and regional governance structure for education, employment and training programs. A state advisory council is already empowered to develop state policy for employment and training, but no regional governance structures exist. Finally, Maine has just begun to focus on a long-term economic recovery plan linking its economic development agenda to its education and training agenda. The plan has not yet been implemented, but it is an important initial step.

"For half a century, 80 percent of the energy and enthusiasm of the mainstream of American education has been focused on preparing students for only 20 percent of the jobs in the American economy — for professional careers requiring a baccalaureate degree or higher as a prerequisite for entry. Now we must focus appropriate attention on the forgotten 80 percent of the labor market — on building a high skilled, high performance workforce that can foster and sustain the growth of a high quality, high technology, high wage economy.

"Implementation of the Certificate of Initial (or Core) Mastery must be included as an essential component of every program for school restructuring and systemic change. The initial certificate represents the interface the gateway, between two distinct domains of public education: universal high performance education for all students in grades K-10 — untracked, self paced, self initiated, competency based — and clearly articulated career pathways in grades 11-13 and beyond, guiding all students into a high performance, high income world of work."

Chris Lyons
Director
Division of Applied Technology
Department of Education

"The residents of Maine are increasingly aware that our educational system must prepare students to meet unprecedented societal and economic demands. To do so, all students must have the knowledge, skills and attitudes that are outlined in Maine's Common Core of Learning."

John R. McKernan, Jr.
Former Governor

MASSACHUSETTS AT A GLANCE

1981
The Legislature creates the Bay State Skills Corporation to help small and medium sized firms become more competitive.

1988
The Legislature creates the MASSJOBS Council (which later becomes the state's Human Resource Investment Council) and Regional Employment Boards to coordinate education, employment and training programs at the state and regional levels.

1993
The Education Reform Act authorizes the development of standards in core academic subjects, a new performance-based assessment system and new certificates to be awarded to students when they meet the new standards.

1994
The Commission on the Common Core of Learning releases a broad set of academic and applied learning skills that all students should know and be able to do before they graduate from high school.

Massachusetts wins a federal school-to-work and a one-stop center implementation grant.

ECONOMIC INDICATORS (Population 6,012,000)

Unemployment[1]	Rate	(1988) 3.3%
		(1994) 6.1%*
	U.S. Rank	(1994) 35**
Poverty[2]	Rate	(1989) 9.0%
		(1993) 10.7%
	U.S. Rank	(1993) 14
Job growth[3] (full- and part- time)	Rate	(1990-91) -5.5%
		(1993-94) 2.9%
Median household income[4]		(1988) $40,569
		(1993) $37,064
	U.S. Rank	(1993) 7

*rate through November '94 **1=lowest

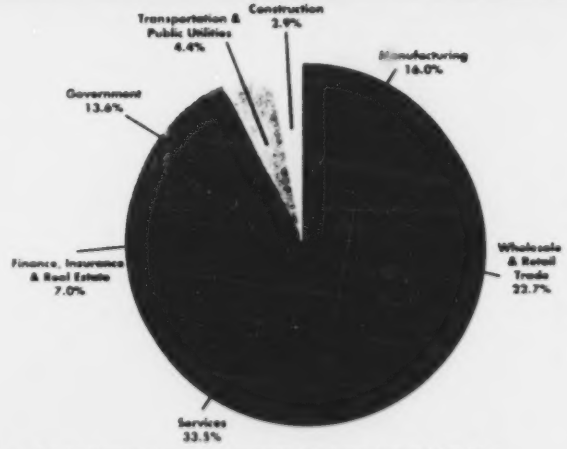
Sources
1. U.S Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economics Statistics Division, adjusted dollars

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	8.5%
	U.S. Rank	27*
Percent of population over age 25 whose highest degree is high school diploma	Rate	29.7%
	U.S. Rank	25
Percent of population over age 25 with an associate's degree	Rate	7.2%
	U.S. Rank	10
Percent of population over age 25 with bachelor's or advanced degree	Rate	27.2%
	U.S. Rank	1

*1=highest
Source
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993)



Source
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-11.5
Wholesale and Retail Trade	-4.9
Services	+12.7
Finance, Ins. and Real Estate	+0.1
Government	+3.6
Transportation and Pub. Util.	+5.8
Construction	-30.2

STATE STRATEGY AND CHALLENGES

Massachusetts created the MASSJOBS Council and Regional Employment Boards in 1988, becoming the first state to develop a state and regional governance structure to coordinate education, employment and training programs. As the state's Human Resource Investment Council, the MASSJOBS Council has supported economic development initiatives in high skill, high wage industries and developed an integrated workforce development budget. At the local level, Regional Employment Boards have identified critical and emerging sectors of the economy and directed their workforce development resources to support those industries. Massachusetts also received federal implementation grants to create one-stop employment and training centers state-wide and a school-to-work transition system. Massachusetts' school-to-work system will build on the state and local workforce development efforts underway, as well as the comprehensive education reforms legislated in 1993. This legislation eliminated the general track and mandated setting education standards for all students, developing a performance-based assessment system and designing three types of certificates for high school students. A key challenge for the Bay State is to continue to link its education reform to its broader workforce development system.

"We try always to take the long view, to anticipate what is going to happen, not just respond to current crises. So not only do we build partnerships with companies to respond to current needs, we are also working with them and with schools to help understand how we will prepare the future workforce, some years out."

Erik Payne Butler
Executive Director
Bay State Skills Corporation

"Public confidence in education begins to grow when the public is part of the process, and is informed at every major step along the way. Our hope is that no one is left out of this effort."

Robert V. Antonucci
Commissioner of Education

"To help our youth meet their futures successfully, we've simply got to pull together all of our resources — people in government, in schools and in business, as well as students and parents — to fundamentally rethink and reshape the way that we prepare our young people for the emerging jobs of tomorrow."

Paul Cellucci
Lieutenant Governor

MINNESOTA AT A GLANCE

1983
The Minnesota Job Skills Partnership Board is created to design and oversee training programs to meet business needs.

1987
The Minnesota Department of Trade and Economic Development launches an initiative to support key industries in the state.

Minnesota creates a statewide system of area learning centers to provide alternative learning environments for students.

1991
Minnesota Technology, Inc. created to assist state manufacturing and high-tech industries.

The Governor releases *Minnesota Milestones*, which describes Minnesota's education, employment and training goals and sets benchmarks for measuring progress toward them.

1993
Legislation mandates new graduation standards and a new assessment system, and repeals state regulations that block schools from moving forward on their restructuring agenda.

Family Resource Centers are created statewide to provide education, social and health services to children and their families.

ECONOMIC INDICATORS (Population 4,517,000)

Unemployment[1]	Rate	(1988) 4.0%
		(1994) 3.8%*
	U.S. Rank	(1994) 6**
Poverty[2]	Rate	(1989) 11.4%
		(1993) 11.6%
	U.S. Rank	(1993) 18
Job growth[3] (full- and part- time)	Rate	(1990-91) 0.4%
		(1993-94) 2.8%
Median household income[4]		(1988) $35,529
		(1993) $33,682
	U.S. Rank	(1993) 15

Source
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economics Statistics Division, adjusted dollars

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	6.4%
	U.S. Rank	37*
Percent of population over age 25 whose highest degree is high school diploma	Rate	33.0%
	U.S. Rank	13
Percent of population over age 25 with an associate's degree	Rate	8.6%
	U.S. Rank	2
Percent of population over age 25 with bachelor's or advanced degree	Rate	21.9%
	U.S. Rank	15

*Lowest
Source
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)

*rounding

Source
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-5.7
Wholesale and Retail Trade	-10.1
Services	+7.8
Finance, Ins. and Real Estate	+4.7
Government	+0.3
Transportation and Pub. Util.	-3.4
Construction	-6.9

STATE STRATEGY AND CHALLENGES

Minnesota has been restructuring its education system for over a decade. The state defined new graduation requirements, moved toward site-based management of schools and created a notable system of alternative education for youth and adults. Minnesota also has created new technical training options for young people and adults. It has not, however, focused on designing a post-basic education and training system with structured pathways for young people not going directly to college, nor has it created a delivery system to make education, employment and training services accessible to all Minnesota citizens. A key issue is that Minnesota lacks a state and local governance structure to coordinate education, employment and training services and programs. The Legislature, however, is expected to consider a bill that would create a Human Resource Investment Council in 1995. In addition to restructuring education and training, such a Council may provide an impetus to create a broader economic development strategy linked to the education and training agenda. Minnesota has focused resources on improving the competitiveness of its economy by providing funds and technical assistance to upgrade technology in companies in the state. The various programmatic initiatives, however, have not yet been integrated into a comprehensive state strategy to build a high skill economy.

"Our 1994 survey of 300 Minnesota businesses told us that two-thirds of our employers are having substantially more difficulty finding qualified workers than they did 10 years ago.

"Workforce issues are the most important issues facing Minnesota and American business today. Our jobs are increasingly complex, and they require higher order knowledge and skills.

"Education is the most important activity of state and local government today. We must redirect resources to education from lower priority programs, and we must tie those resources to outcomes."

Tom Triplett
Former Executive Director
Minnesota Business Partnership

"It is important for states consolidating their education and employment and training systems to: 1) have a clear vision of what the transformed system will look like; 2) have adequate access to resources to plan, implement and assess both state and local change efforts; and 3) employ a governance structure that facilitates decisions while being responsive to change. It is also important to have strong leadership from the Governor, and support from the Legislature and the private sector."

Linda Powell
Commissioner of Education

NEW YORK AT A GLANCE

1991
The Governor creates the Human Investment Subcabinet to develop recommendations for streamlining the delivery of employment and training services. In response to the Cabinet's recommendations, the state launches the GATEWAY initiative to support local restructuring of employment and training service delivery.

The New Compact for Learning recommends a comprehensive plan to restructure schools and better prepare students for the workplace.

1992
The Governor establishes the Task Force on Creating Career Pathways for New York State's Youth.

1993
A Human Resource Council representing all state employment and training councils is created to coordinate employment and training policy.

1994
An Assessment of Initial Mastery is piloted in 37 high schools through the Workforce Preparation Program.

New York receives a federal school-to-work implementation grant.

ECONOMIC INDICATORS (Population 18,197,000)

Unemployment[1]	Rate	(1988) 4.2% (1994) 7.1%*
	U.S. Rank	(1994) 45**
Poverty[2]	Rate	(1989) 12.9% (1993) 16.4%
	U.S. Rank	(1993) 37
Job growth[3] (full- and part- time)	Rate	(1990-91) -3.9% (1993-94) 1.0%
Median household income[4]		(1988) $31,319 (1993) $31,677
	U.S. Rank	(1993) 21

*rate through November '94 **1=lowest

Source:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economics Statistics Division, adjusted dollars

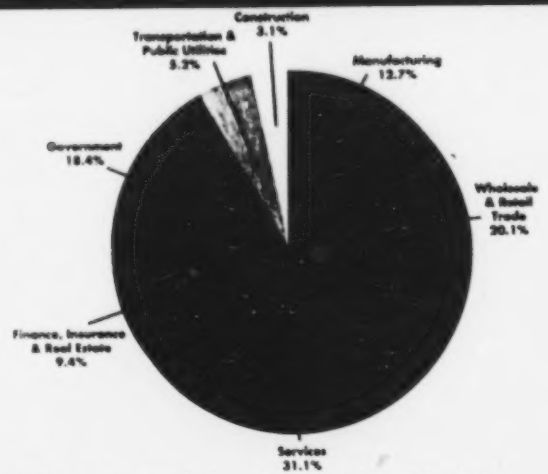
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	9.9%
	U.S. Rank	19*
Percent of population over age 25 whose highest degree is high school diploma	Rate	29.5%
	U.S. Rank	27
Percent of population over age 25 with an associate's degree	Rate	6.5%
	U.S. Rank	16
Percent of population over age 25 with bachelor's or advanced degree	Rate	23.1%
	U.S. Rank	10

*1=highest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993)



Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-11.9
Wholesale and Retail Trade	-3.9
Services	+9.7
Finance, Ins. and Real Estate	-1.9
Government	+4.6
Transportation and Pub. Util.	+3.6
Construction	-23.9

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STATE STRATEGY AND CHALLENGES

New York is restructuring many components of its education, employment and training system. Its broad plan for restructuring education includes new education standards, a new assessment system, new organization and management practices in schools, and a new system of technical and professional training pathways for young people not going directly to college. New York also has invested in programs to increase the competitiveness of state industries by supporting employer and supplier networks, training workers in total quality management, and funding joint research projects to make the state's industries more competitive. In addition, the state has supported efforts to make employment and training information and services more accessible. New York is also taking steps to integrate these reforms into a comprehensive state strategy to invest in people. The state has not yet created state and regional governance structures to oversee education, employment and training. It has, however, taken important first steps by establishing an umbrella council to oversee the work of the various job training councils in the state and a state-level interagency council to oversee the development of a school-to-work system.

"Accomplishing education reform for New Yorkers, both in and out of school, requires the dedicated commitment of all education and training providers to work closely with the business community. We are working to develop this important parnership to create a successful system of school-to-work and economic growth in our state."

Johanna Duncan-Poitier
Assistant Commissioner for Workforce Preparation
State Education Department

"To really reform our education, employment and training systems, states must: 1) focus on results and set standards high enough so our students can compete with the best in the world, 2) provide the education and training systems with the flexibility to meet those goals and 3) publish the results of schools (or public training programs) on a school-by-school basis in comparable and easy to understand terms."

Margarita Mayo
Business Council of New York State

"Organized labor has a number of interests in education reform. The children in our public schools are the sons and daughters of the state's workers and, as parents, workers are very concerned with the quality of education for their kids. Also, unions see a very clear link between education and the economy. Front-line workers are experiencing the changing nature of tasks (i.e. technology) in the workplace and are better able to communicate those changes to educators and play an active role in developing and implementing reforms to better prepare kids for the jobs of the future."

Paul Cole
Secretary-Treasurer
New York AFL-CIO

OREGON AT A GLANCE

1989
Oregon Shines is released, outlining the state's goals to improve education and training.

The Legislature creates the Oregon Progress Board to monitor progress toward the state's workforce development goals. The Legislature creates the key industries training program to provide training funds to groups of firms in industries critical to the state's economy.

1991
The Legislature creates the Key Industries Development Program to strengthen industries key to Oregon's economy.

The Legislature passes the Oregon Education Act for the 21st Century to restructure the education system and creates a Certificate of Initial Mastery.

The Legislature passes the Workforce Quality Bill, creating the Workforce Quality Council, a single council to oversee education, employment and training. The bill also authorizes the creation of regional councils to coordinate education, employment and training programs.

1994
Oregon wins a federal school-to-work implementation grant.

ECONOMIC INDICATORS (Population 3,032,000)

Unemployment[1]	Rate	(1988) 5.8%
		(1994) 5.8%*
	U.S. Rank	(1994) 30**
Poverty[2]	Rate	(1989) 11.3%
		(1993) 11.8%
	U.S. Rank	(1993) 19
Job growth[3] (full- and part- time)	Rate	(1990-91) -0.1%
		(1993-94) 3.2%
Median household income[4]		(1988) $33,893
		(1993) $33,138
	U.S. Rank	(1993) 12

*rate through November '94 **Lowest

Sources:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economics Statistics Division, adjusted dollars

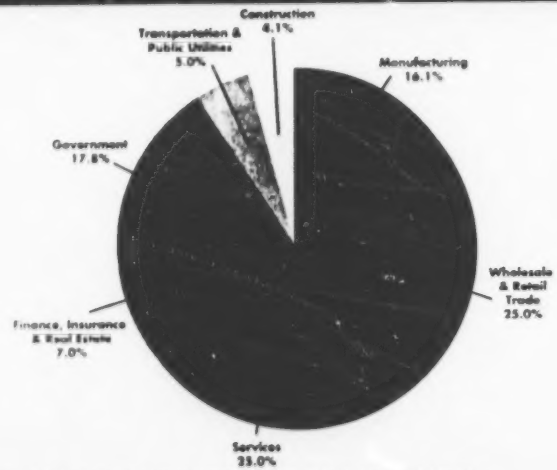
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	11.8%
	U.S. Rank	11*
Percent of population over age 25 whose highest degree is high school diploma	Rate	28.9%
	U.S. Rank	30
Percent of population over age 25 with an associate's degree	Rate	6.9%
	U.S. Rank	12
Percent of population over age 25 with bachelor's or advanced degree	Rate	20.6%
	U.S. Rank	20

*Lowest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993)



Percentage Change in Employment 1989-1993

Manufacturing	-10.8
Wholesale and Retail Trade	-1.3
Services	+6.8
Finance, Ins. and Real Estate	+10.7
Government	-0.2
Transportation and Pub. Util.	-3.5
Construction	+8.4

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

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STATE STRATEGY AND CHALLENGES

Oregon has developed a comprehensive approach to human resource investment. Its 1991 education legislation mandated new certificates for students based on new educational standards and a new assessment system. This legislation also included restructuring of early childhood and middle school education, and reforms of school organization and management. The state is now designing a system of technical and professional education and training pathways for young people. It has created a new state and regional governing structure designed to coordinate both youth and adult training and oversee a new delivery system for employment and training services and an improved labor market information system. Finally, Oregon's legislation created programs to invest state resources in competitive state industries. Oregon is now working to implement and coordinate the wide-ranging reforms legislated over the past few years, while grappling with limited state funds.

"Our schools did a good job of preparing most students for yesterday. However, if our system of education does not change, we will not meet the challenges of tomorrow, even for our brightest students. Thus, we are making a valiant effort to raise our academic standards and instill more rigor in the curriculum. We want all students to have a more rigorous, more relevant foundation when they graduate from high school."

Norma Paulus
Superintendent of Public Instruction

"Real reform requires an entrepreneurial spirit on the part of school districts."

Bill Wyatt
President
Oregon Business Council

PENNSYLVANIA AT A GLANCE

1988
Pennsylvania creates a network of job centers offering employment and training services to unemployed and dislocated workers. The state also creates one-stop centers offering access to all public services for those in need of or receiving public assistance.

1990
Pennsylvania pilots the Youth Apprenticeship Program.

1992
The Governor establishes a Children's Cabinet to recommend how to better coordinate comprehensive social, health and educational services across the state. In response to the Cabinet's recommendations, the state creates a network of Family Service Centers at or near schools to provide comprehensive services to children and their families.

1993
Pennsylvania creates the School-to-Work Opportunities Program to oversee all work-based learning programs in the state.

The State Board of Education approves new graduation requirements and six common education goals.

ECONOMIC INDICATORS (Population 12,048,000)

Unemployment[1]	Rate	(1988) 5.1%
		(1994) 6.2%*
	U.S. Rank	(1994) 37**
Poverty[2]	Rate	(1989) 10.5%
		(1993) 13.2%
	U.S. Rank	(1993) 26
Job growth[3] (full- and part- time)	Rate	(1990-91) -1.6%
		(1993-94) 1.1%
Median household income[4]		(1988) $32,665
		(1993) $30,995
	U.S. Rank	(1993) 27

*Data through November '94 **Lowest

Source:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Census
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economics Statistics Division, adjusted dollars

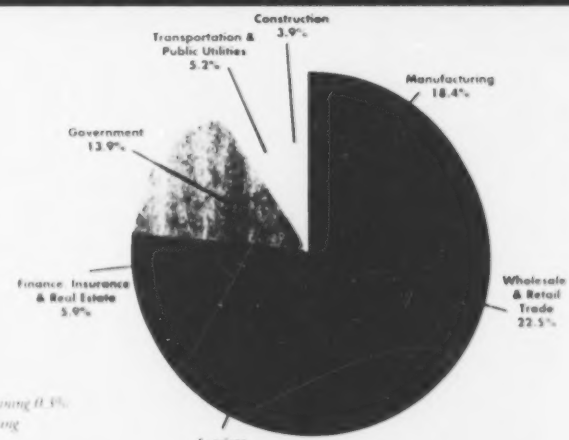
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	9.1%
	U.S. Rank	23*
Percent of population over age 25 whose highest degree is high school diploma	Rate	38.6%
	U.S. Rank	1
Percent of population over age 25 with an associate's degree	Rate	5.2%
	U.S. Rank	25
Percent of population over age 25 with bachelor's or advanced degree	Rate	17.9%
	U.S. Rank	31

*Highest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



*remaining 0.3% is mining

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-9.7
Wholesale and Retail Trade	-2.5
Services	+1.0
Finance, Ins. and Real Estate	+2.4
Government	+2.1
Transportation and Pub. Util.	+4.8
Construction	-6.4

STATE STRATEGY AND CHALLENGES

Pennsylvania pioneered the development of state initiatives to strengthen state industrial competitiveness, particularly in the manufacturing sector. Its efforts include employer networks and technical assistance to speed the use of new technologies and to reorganize the workplace. Pennsylvania recently focused on comprehensive education reform by identifying new graduation requirements for students. The state was an early leader in the youth apprenticeship movement and is currently creating a school-to-work system that serves all young people. Coordinating employment services also has been a key effort in the state since the late 1980s. Pennsylvania has created a network of job centers offering employment services and labor market information for unemployed workers, dislocated workers and employers. There is an additional network of 'single point of contact' centers offering a full range of welfare, social, health and employment services for public assistance recipients. Despite this impressive local network for service delivery, Pennsylvania has not yet created a unified state or regional governance structure to coordinate education, employment and training programs and oversee service delivery for all Pennsylvanians.

"The need for reform is self evident. We can't possibly continue to have individual isolated programs with no coordination. The public is demanding that government spend money more wisely and that we eliminate bureaucracy. The biggest advantage for us was that the various bureaus in our state were committed to better coordination and eliminating 'turf.' The reform process won't work unless you work together across agencies and agree on common goals.

"None of these reforms will work unless you take both a top-down and a bottom- up approach. State leadership for reform has to come through the Governor. Pennsylvania's reform process is working because we could demonstrate that we had support from all agencies in making it work. That is the most crucial part of this."

Helen Wyse
Former Deputy Chief of Staff
For Programs
Office of the Governor

"The challenges this new world economy presents to American businesses and workers are well-known: How to interact in a global marketplace. How to keep pace with constantly changing commercial forces. How to compete with speed and flexibility in the information age. How to perform increasingly complex, technology-intensive work duties."

A State Prepared: Developing Pennsylvania's Work Force
Report by the Pennsylvania Economic Development Partnership
Spring 1991

TEXAS AT A GLANCE

1992

A Quality Workforce, The Premier Chip in a High-Stakes Game is published, recommending the creation of a state Human Resource Investment Council and local workforce development boards to coordinate education, employment and training in the state.

1993

The Governor's Smart Jobs Task Force releases a report calling for an industry-driven skill standards certification system to support workforce development.

The Legislature authorizes the development of a state-wide performance-based assessment system as well as a new accountability system.

Workforce development legislation passes, creating the Texas Council on Workforce and Economic Competitiveness and authorizing regional workforce development boards.

The Legislature establishes a Design Committee on Youth Apprenticeship and Career Pathways to develop a state plan for creating a school-to-work transition system.

1994

Texas wins a federal one-stop center implementation grant.

ECONOMIC INDICATORS (Population 18,031,000)

Unemployment[1]	Rate	(1988) 7.3%
		(1994) 6.4%*
	U.S. Rank	(1994) 40**
Poverty[2]	Rate	(1989) 17.6%
		(1993) 17.4%
	U.S. Rank	(1993) 38
Job growth[3] (full- and part- time)	Rate	(1990-91) 1.1%
		(1993-94) 3.2%
Median household income[4]		(1988) $30,492
		(1993) $28,727
	U.S. Rank	(1993) 33

*Data through November '94, ** Tied

Sources:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Bureau, Office of the Comptroller
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Household Economic Statistics Division, inflated dollars

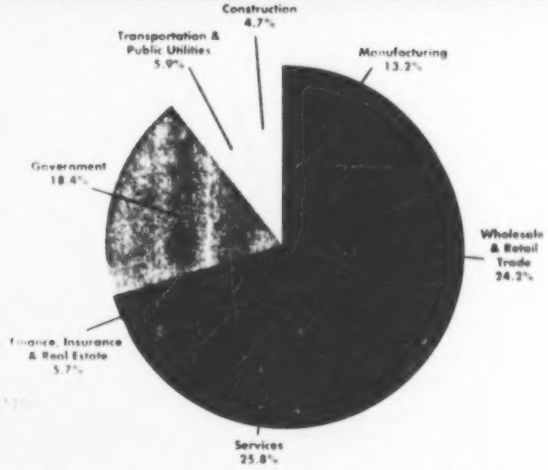
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	12.9%
	U.S. Rank	8*
Percent of population over age 25 whose highest degree is high school diploma	Rate	25.6%
	U.S. Rank	40
Percent of population over age 25 with an associate's degree	Rate	5.2%
	U.S. Rank	25
Percent of population over age 25 with bachelor's or advanced degree	Rate	20.4%
	U.S. Rank	22

*Highest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



*Preliminary

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, State and Area Data

Percentage Change in Employment 1989-1993

Manufacturing	-7.8
Wholesale and Retail Trade	-2.1
Services	+8.2
Finance, Ins. and Real Estate	-9.8
Government	+4.4
Transportation and Pub. Util	-1.2
Construction	-0.6

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STATE STRATEGY AND CHALLENGES

Texas has legislated one of the most comprehensive human resource investment agendas in the nation. In 1993, the Texas Council on Workforce and Economic Competitiveness (TCWEC) was created to implement that agenda. TCWEC is creating a system of workforce development boards to coordinate regional workforce development programs. The Council is also developing a new system of one-stop centers to deliver education, employment and training services to every Texan. In addition, Texas has been a leader in the development of a skills certification system for youth and adults. Education reform, like human investment policy, is moving forward in Texas. In 1993, legislation mandated a new performance-based assessment system, high school exit exams and a new accountability system for schools. With many education, employment and training reforms legislated in Texas, some of the key challenges facing the Lone Star state are to develop a broader economic development strategy focused on improving the competitiveness of Texas' companies and to maintain the momentum for the development of a human resources investment system.

"It is the state's responsibility to hold schools and districts accountable not only for rigor and application but also for equity; no one else has the incentive or the authority to do so.

"Our greatest challenges are providing professional development so that State Board of Education policies translate into alterations in the classroom, and implementing an accountability system that supports learning and that holds schools accountable for student achievement."

Cynthia Levinson
Planner
Curriculum, Assessment and Professional Development
Texas Education Agency

"Strengthen the role of the employer in the planning process. In our state, the participation of business is the weak link; although there are strong elements in the business community who wish to work toward improving their role and participation."

Tom Frost
Chair
Texas Council on Workforce and Economic Competitiveness

VERMONT AT A GLANCE

1989
State education goals are developed to support high academic achievement for all students.

1990
Vermont pilots the first statewide portfolio assessment system in the country.

1991
Vermont's Common Core of Learning is released, defining a broad set of applied learning skills and academic knowledge students need to succeed in the 21st century.

The Henry Connecticut Committee releases its report *Sustainable Economic Development*, highlighting the need for a skilled workforce to maintain Vermont's economic competitiveness.

1993
The Governor establishes a Human Resources Investment Council to coordinate the state workforce development efforts.

1994
The Human Resources Investment Council releases its first strategic plan calling for the creation of regional workforce investment boards.

Vermont wins a federal one-stop career planning grant.

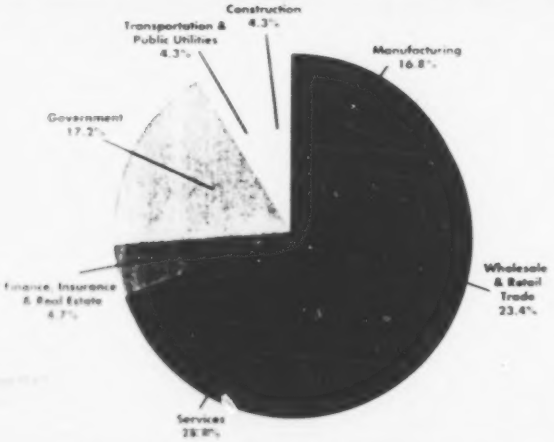
ECONOMIC INDICATORS (Population 578,000)

Unemployment[1]	Rate	(1988) 2.8%
		(1994) 4.5%*
	U.S. Rank	(1994) 8**
Poverty[2]	Rate	(1989) 8.1%
		(1993) 10.0%
	U.S. Rank	(1993) 9
Job growth[3] (full- and part- time)	Rate	(1990-91) -3.3%
		(1993-94) 1.4%
Median household income[4]		(1988) $35,408
		(1993) $31,065
	U.S. Rank	(1993) 24

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	8.0%
	U.S. Rank	30*
Percent of population over age 25 whose highest degree is high school diploma	Rate	34.6%
	U.S. Rank	8
Percent of population over age 25 with an associate's degree	Rate	7.2%
	U.S. Rank	10
Percent of population over age 25 with bachelor's or advanced degree	Rate	24.3%
	U.S. Rank	7

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



Percentage Change in Employment 1989-1993

Manufacturing	-9.5
Wholesale and Retail Trade	-1.0
Services	+12.0
Finance, Ins. and Real Estate	-3.1
Government	+7.2
Transportation and Pub. Util.	+9.4
Construction	-5.0

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STATE STRATEGY AND CHALLENGES

Vermont is a national leader in the movement to restructure education. The 1989 Green Mountain Challenge set goals for education in Vermont and defined a common set of core academic and work readiness skills for its students. The Department of Education is developing performance standards for students and an assessment system that will measure whether or not students have met high standards. Vermont is also committed to investing in the education of its adults. The state has a unique adult education program that guarantees any adult without a high school diploma access to basic education classes. In the past few years, the state has focused on other components of its human resources investment agenda. Vermont's Human Resource Investment Council is developing regional workforce investment boards, a one-stop delivery system for employment and training programs and services, and an improved labor information system. The Human Resource Investment Council is also leading the effort to develop a system of options for young people making the transition from school to work, further education or training programs. The state has not yet fully coordinated its economic development, education and training initiatives, but the work of the Human Resource Investment Council and a new state economic development plan suggest the state is developing a more comprehensive human investment strategy.

"Do we really need high standards? Put it this way: there's no child in America who would play softball badly and claim to be doing it well. They have in mind what softball is supposed to look like. They've got to have in mind the same set of standards for science, mathematics, writing, communication, and problem solving. Until they do, a lot of them are not going to have a fair shot at life.

"Those interested in education must realize that reform, being a human plan, must be adjusted constantly, but that the core of reform — the standards — should remain the same."

Rick Mills
Commissioner of Education

"To effect substantive change, a Council must first work to develop a set of key principles that will form the framework and foundation of a system. A Council must make an incremental approach to change in order to ensure a willing collaboration among partners."

Susan Auld
Commissioner
Department of Employment
And Training
Co-Chair
Human Resources Investment Council

WASHINGTON AT A GLANCE

1990
The Advisory Council on Investment in Human Capital recommends the creation of a central body to coordinate education, employment and training policy after an Office of Financial Management study finds that over 4,000 Washington employers are dissatisfied with the technical skills of their workforce and are having difficulty finding skilled workers.

1991
The Legislature creates the Workforce Training and Education Coordinating Board to oversee workforce development programs and policies.

The Governor creates the Council on Education Reform and Funding to develop student learning goals.

1993
The Training Trust Fund is created to provide resources to retrain unemployed workers.

The Comprehensive Education Reform Act passes establishing Essential Academic Learning Requirements for all students and mandating the development of CIMs (Certificates of Mastery).

1994
The Workforce Training and Education Coordinating Board releases the first state-wide workforce development strategic plan.

Washington wins a federal one-stop career planning grant.

ECONOMIC INDICATORS (Population 5,255,000)

Unemployment[1]	Rate	(1988) 6.2% (1994) 6.1%*
	U.S. Rank	(1994) 35**
Poverty[2]	Rate	(1989) 9.7% (1993) 12.1%
	U.S. Rank	(1993) 20
Job growth[3] (full- and part- time)	Rate	(1990-91) 1.6% (1993-94) 1.9%
Median household income[4]		(1988) $39,486 (1993) $35,655
	U.S. Rank	(1993) 12

*Unemployment rate for 1994 is preliminary.

Source:
1. U.S. Bureau of Labor Statistics, Current Population Survey, Local Area Unemployment Statistics
2. Population Research Center, University of Oregon
3. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Survey
4. Department of Commerce, Bureau of the Census, "Money Income of Households, Families and Persons in the United States"

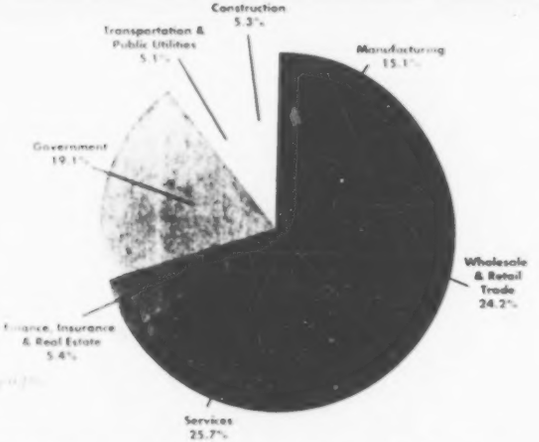
EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	10.6%
	U.S. Rank	16*
Percent of population over age 25 whose highest degree is high school diploma	Rate	27.9%
	U.S. Rank	34
Percent of population over age 25 with an associate's degree	Rate	7.9%
	U.S. Rank	5
Percent of population over age 25 with bachelor's or advanced degree	Rate	22.9%
	U.S. Rank	13

*Highest

Source:
U.S. Bureau of the Census, 1990 Census of Population

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993*)



Percentage Change in Employment 1989-1993

Manufacturing	-14.4
Wholesale and Retail Trade	-1.3
Services	+11.6
Finance, Ins. and Real Estate	-1.8
Government	+2.8
Transportation and Pub. Util.	-4.2
Construction	+0.6

Source:
U.S. Bureau of Labor Statistics, Current Employment Statistics Survey, Sub and Text Data

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STATE STRATEGY AND CHALLENGES

Washington's Legislature created the Workforce Training and Education Coordinating Board in 1991 to coordinate education, employment and training programs at the state level. The Training Board will be considering the creation of regional governance structures to coordinate local workforce development programs and policies. The state also is planning to develop a system of one-stop centers for young people, as well as unemployed and employed adults, and a labor market information system to support those centers. The centers will build on an existing effort to ease access to and enrollment in workforce development programs. Washington also has an ambitious education reform agenda. The state is identifying standards in core academic areas, developing a performance-based assessment system and creating a Certificate of Mastery. Washington, however, has not fully linked its education and training agenda to a broad state strategy for increasing the competitiveness of its industries. The Department of Community, Trade and Economic Development has begun to target high value-added industry sectors and provide technical and financial assistance to improve the competitiveness of companies in those sectors. Broadening this kind of effort and linking it to investments in workforce training is a critical challenge for the future.

"Raising standards is problematic but absolutely necessary. This cannot be done by school personnel alone. Everyone in society is affected by this. The reform process requires everyone to rise to the standards' challenge."

Terry Bergeson
Executive Director
Commission on Student Learning

"My advice to states beginning to reform their education and workforce training system is to make sure that the driving forces behind change in your state, whether business, citizens or whoever, have a powerful, persistent voice at the table. They should be there not only to help design the outcomes expected from a changed system, but the best means to get there and the timetable for change."

Betty Jane Narver
Chair
Workforce Training and Education Coordinating Board

"Early in the process the top-level state boards and commissions responsible for education and training must develop and agree on a common vision. Without this agreement, resources and activities cannot be effectively and successfully focused."

Dale Boose
Business Representative
Workforce Training and Education Coordinating Board

WISCONSIN AT A GLANCE

1987
Wisconsin develops a statewide network of Job Centers to coordinate all employment and training services.

1988
The Governor creates the Wisconsin Jobs Council to oversee all employment and training programs in the state.

1991
The Legislature authorizes the development of a new performance-based assessment system that includes a 10th grade Content Area test in...

The Legislature authorizes the development of a statewide youth apprenticeship program.

1993
The Governor creates the Office of Workforce Excellence to coordinate workforce development efforts.

1994
Wisconsin receives federal school-to-work and one-stop career implementation grants.

Wisconsin creates a Human Resource Investment Council to oversee all workforce development efforts in the state.

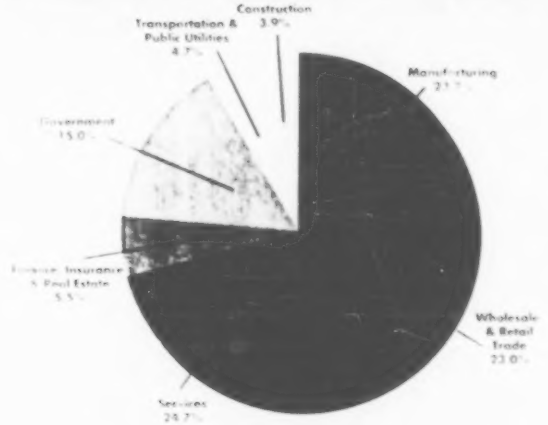
ECONOMIC INDICATORS (Population 5,038,000)

Unemployment[1]	Rate	(1988) 4.3%
		(1994) 4.5%*
	U.S. Rank	(1994) 8**
Poverty[2]	Rate	(1989) 8.5%
		(1993) 12.6%
	U.S. Rank	(1993) 22
Job growth[3] (full- and part- time)	Rate	(1990-91) 0.4%
		(1993-94) 2.3%
Median household income[4]		(1988) $36,125
		(1993) $31,766
	U.S. Rank	(1993) 20

EDUCATIONAL ATTAINMENT: 1990

Percent of population age 16-19 not in school, with no diploma or GED	Rate	7.1%
	U.S. Rank	33*
Percent of population over age 25 whose highest degree is high school diploma	Rate	37.1%
	U.S. Rank	4
Percent of population over age 25 with an associate's degree	Rate	7.1%
	U.S. Rank	11
Percent of population over age 25 with bachelor's or advanced degree	Rate	17.7%
	U.S. Rank	34

KINDS OF WORK PEOPLE DO (Non-farm employment, 1993)



Percentage Change in Employment 1989-1993

Manufacturing	7.0
Wholesale and Retail Trade	2.8
Services	+7.9
Finance, Ins. and Real Estate	+3.8
Government	0.1
Transportation and Pub. Util.	+4.5
Construction	+7.3

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STATE STRATEGY AND CHALLENGES

Wisconsin has long made education and training reform a priority. The state's education reform efforts include identifying new academic and work readiness standards, developing a new assessment system, reforming the management and organization of schools, and expanding technical training options for young people. A federal school-to-work implementation grant is supporting the state's efforts to create a system of technical training pathways leading to industry-recognized credentials. Wisconsin also has focused on improving and expanding training for employed adults, creating a network of Workplace Learning Centers and providing several state funds for upgrade training. Since 1987, the state has provided employment and training services through a state-wide system of Job Centers. A federal one-stop implementation grant will help Wisconsin expand and upgrade the Centers. The improved labor market information offered through the Centers will help Wisconsins make informed decisions about career and training options. A newly created Human Resource Investment Council and new regional boards suggest that the state will coordinate the development of its training and labor market initiatives. Wisconsin is also beginning to tie its training strategies to its economic development policies, which have focused on helping companies become more competitive by adopting new technologies and restructuring their workplaces.

"The goal (of our school-to-work and education reform initiatives) is to get some order in what now is a chaotic credentialing system, to provide clearer signposts to both employees and employers on what competencies are attached to which credentials, and to increase overall training efforts."

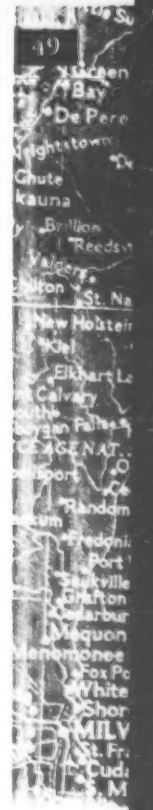
Wisconsin Metalworking Training Consortium: Recommendations for Action
Joel Rodgers and Wolfgang Streeck
Center on Wisconsin Strategy

The critical aspect of reform is to involve all interested parties in the process — business groups, educators, lawmakers and labor.

Bill Esbeck
Senior Policy Advisor to the Governor

"Building a system to invest in people is an evolutionary process. You have to pick the most important priorities and just start working."

Wade Dyke
Executive Director
Governor's Office of Workforce Excellence



STATE PROFILES

INDIANA
KENTUCKY
MAINE

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INDIANA

State Strategy and Challenges

Indiana has taken significant strides to develop a coordinated, quality education and training system for its citizens. The state is setting new standards for all academic subjects, developing a new assessment system linked to those standards, creating a single set of credentials for technical education, and expanding and upgrading technical education options for both young people and adults. With a new Human Resource Investment Council and a state-wide network of Workforce Development Centers, the state also has been working to better coordinate and make accessible employment and training programs and services. Upgrading the labor market information system and developing a one-stop delivery system that offers information, services and opportunities for enrolling in programs are challenges the state still faces. In addition, the state has made some efforts to improve the competitiveness of companies at the state level, but this has not yet been linked to a broad effort to restructure state industries to provide high skill, high wage jobs.

Context and Key Events

In 1990, Indiana Governor Evan Bayh unveiled Workforce Indiana, a strategic plan designed to ensure that "... students will graduate with the abilities needed to succeed in a work world of ever-increasing demands and competition." The plan evolved from a recognition that "... the key to competitiveness for Indiana, as the 21st century approaches, is a skilled, world-class workforce."

As a first step to implementing Workforce Indiana, the Governor created a state plan for maintaining a competitive workforce. This plan included provisions to co-locate adult education programs and employment and training services in each Indiana county by the year 2000. To facilitate this coordination of education and training services, the Governor created a Department of Workforce Preparation which consolidated the Commission on Vocational and Technical Education, the Department of Employment and Training Services and the Office of Workforce Literacy.

Workforce Indiana also laid the groundwork for 1992 Workforce Legislation. This landmark bill provided a legal framework for restructuring the system of basic education and the system of technical and professional education for young people and adults. It directed the Department of Education to develop school curriculum based on new academic and work readiness standards and to develop and implement a new assessment system for students. This system includes a Gateway Assessment to allow students to demonstrate mastery of 'essential skills' at the beginning of 10th grade. In addition, a Workforce Proficiency Panel was created to identify skill standards and develop credentials for all state technical education and training programs. Resources also were made available to expand opportunities for technical and work-based learning through an expansion of tech prep programs.

In 1993, the Governor moved the workforce agenda forward by creating the Human Resource Investment Council (HRIC) as the single state advisory group for job training, vocational education and employment services for young people and adults. HRIC consolidates oversight of Job Training Partnership Act (JTPA), Wagner-Peyser, Perkins and the Adult Education Act funds. The Governor charged the Council with identifying human investment needs in Indiana, "... promoting effective services, service delivery and innovative programs" and proposing standards and measures for evaluating the federal funds it oversees.

Economic Development Policy

Indiana does not have a broad strategy to increase the competitiveness of industries offering high skill, high wage jobs. It does, however, have several notable initiatives to encourage training and the adoption of high performance work practices by companies in the state.

Indiana has two major state funds to help strengthen industries. The Department of Commerce funds the Training 2000 program, which is operated jointly with the Indiana Vocational Technical College system. Training 2000 consolidates $13 million of formerly fragmented funds for training new and current employees. It adds a

provision that firms or consortia of firms applying for funding must make training part of a long-term strategic plan. In addition to streamlining the administrative process, the program places a new emphasis on transferable skills to make workers and companies more productive and more competitive.

The Department of Commerce also created the Strategic Development Fund to support collaborative projects in marketing, technology development, cooperative research, export development, and training or apprenticeship programs that benefit an industry or regional consortia. This fund matches up to 50 percent of the project funds and teams two or more businesses for collaborative projects. Approximately $1.5 million per year is allocated to the Development Fund.

In January 1993, the state started the Indiana Quality Initiative to provide support to small and medium-sized businesses that do not receive as many benefits from the state's other programs. The Quality Initiative employs field agents to assess work practices of small businesses and help them develop strategic plans to reorganize their workplaces to be more competitive. It also offers total quality management training and helps companies prepare Baldrige Award applications. The Quality Initiative is part of the Indiana Business Modernization and Technology Corporation, established by the Legislature in 1982. Legislation introduced in 1993 to dedicate a portion of Unemployment Insurance penalties and late payments to a training trust fund did not pass. It will most likely be reintroduced in the 1995 Legislature.

Reforming the Basic Education System

Indiana's 1992 Workforce Legislation was a catalyst for restructuring the education system. It mandated the development of new state academic and work readiness standards and a new assessment system. The 1992 legislation followed the passage of the Twenty-First Century Schools Initiative, a 1990 bill that offered incentives for schools to submit comprehensive restructuring plans. The Indiana 2000 legislation, passed in 1991, expanded this effort by encouraging Indiana schools to create site-based decision making councils and new learning environments for their students. The 1991 legislation also expanded the state's school choice program. Indiana established a goal for all schools to be designated Indiana 2000 schools by the year 2000. Indiana 2000 schools are schools that are engaged in comprehensive restructuring.

Standards, Assessment and Curriculum Frameworks

As a first step to creating a new system, the legislation created a State Standards Task Force whose members were appointed by the Governor to identify Essential Skill Content Standards. These standards describe what Indiana students should know and be able to do at different grade levels. The Task Force was charged with identifying mathematics, English language arts, social studies, science and applied learning standards for grades three, four, eight, 10 and 12. After review by educators, legislators, business and labor officials, parents and students, mathematics and English language arts standards were adopted in July 1993. Standards in science and social studies are expected to be adopted by summer 1995. A Workforce Proficiency Panel (see Developing the Post-Basic Education and Training System) will identify standards for secondary and post-secondary technical education.

The 1992 Workforce Legislation also mandated the development of a new state assessment program tied to the new standards by the 1995-96 school year. The new system will include evaluation of classroom performance, a voluntary locally developed test, portfolios of student work, and a state examination that will use a mixed format including multiple choice, open-ended and performance assessment questions. This system is a change from the former assessment system, which was based exclusively on multiple-choice questions. Students will be assessed in the same grades for which standards are being identified.

The new 10th-grade assessment will be a Gateway Assessment. Beginning in 1997-98, students will be required to pass the Gateway in order to graduate from high school. The notion is to set a

baseline standard that all young people in the state must meet. Students failing the Gateway Assessment must receive remediation and be given opportunities to take the exam again in the 11th and 12th grades. For these students, an Essential Skills Improvement Plan also must be developed by a counselor and a teacher in cooperation with the student and his parents. 1993 amendments to the Workforce Legislation directed the Department of Education to develop a waiver system for special education students and for students with extraordinary circumstances whose Gateway results do not adequately reflect their attainment of the essential skills in the new state standards.

The standards adopted by the State Standards Task Force will be the basis for new curriculum frameworks in each subject area. These frameworks are expected to be completed by the 1995-96 school year.

The Gateway Assessment will replace the essential skills test the state had been developing for high school dropouts and adults in the workforce. The Adult Gateway Assessment will be the same as the Gateway Assessment administered to high school students and will lead to the same Gateway Certificate. The Adult Gateway Assessment will be administered through Workforce Development Centers, beginning in 1995. How the Gateway will relate to the GED has not yet been decided.

Alternative Education and Second-Chance Systems

State funding for alternative education does not prescribe particular guidelines for districts to create programs. Although it is not mandated, schools have the option of creating alternative school settings and programs for students who do not meet the new state standards. The 1993 amendments to the Workforce Legislation do require the development of remediation programs for students in each grade who do not meet the standards.

Community Services and Supports

There is no organized effort at the state level to bring social services into the public schools, although there is a broader effort in the state to restructure the delivery of children's social, health and education services. In 1991, the state began a comprehensive state-wide initiative, Step Ahead, to improve delivery of services to children in each county. Schools are included in the coalition of groups creating each county plan. State grants were distributed to each county to develop action plans to meet their own priorities. Instead of deciding what services are needed and how they should be delivered at the state level, Step Ahead mobilizes local communities to identify and address local needs. Only one county, thus far, has developed a plan to bring social services into the public schools.

School Organization and Management

1990 legislation requires each school to publish an annual performance report with information on testing results, attendance rates and graduation rates. This information must be made available to the public and is published in local newspapers. The idea is to allow the public to evaluate the schools by assessing how well the schools help students reach standards. 1993 legislation amended this process by requiring schools to include information about the percentage of students at each grade level who show mastery of essential skills.

An incentive program has been in place since 1987 to recognize and reward schools that show significant improvement in mathematics, English language arts, attendance and graduation rates. This program became part of the Indiana 2000 initiative in 1991.

Education Financing Reforms

The 1993 Legislature revised the school funding formula to equalize tax rates and school spending. The new formula will be phased in over the next six years.

Reforming the Post-Basic Education and Training System

Indiana is developing a new system of education and training options for young people who have received a Gateway Certificate. The state's reform initiative has three parts. First, the 1992 Workforce Legislation eliminated the general track in high school, offering students a choice of college preparatory or technical preparatory pathways. Second, the state is creating a system of secondary and post-secondary technical and academic certificates to identify the outcomes for the courses of study. And third, the state is requiring each region to develop its own coordinated plan for delivering technical education.

New Certificates of Technical Achievement will create a common certification system for tech prep, youth apprenticeship, vocational college and adult programs. A Workforce Proficiency Panel was convened to oversee the development of these Certificates. The Panel includes representatives of business, education and labor. The Certificates will resemble an 'open transcript,' listing the competencies mastered through course work. Additional competencies can be added to the transcript at any time. The Panel is identifying technical skills in eight major areas and intends to develop entry-level and advanced-level certification in each area. The areas are: electronics, business occupations, metal working, printing, health occupations, tourism, travel and hospitality, biomedical sciences, and retailing. It is not yet clear how Indiana's efforts will link with the work of the new National Skill Standards Board.

Certificates of Academic Achievement also will be developed in academic subjects. They will be modeled on Advanced Placement exams and will be used to recognize outstanding achievement, not the standard achievement required of all students. 1993 legislation also has a provision allowing employers who hire employees with Gateway Certificates or Certificates of Technical or Academic Achievement to request retraining of employees if they are deficient in certified skills.

To improve the quality and coordination of technical education options offered to both secondary and post-secondary students, the Workforce Legislation requires workforce partnership plans to be submitted by each region in the state. Regional committees of all the providers of technical education develop coordinated plans for delivering technical education that meets the Workforce Proficiency Panel standards in that region. A state team led by the Department of Workforce Development approves these plans. Funding is contingent upon approval of the plans. As the Workforce Proficiency Panel's work has only just begun, this process has not been fully implemented.

Restructuring High Schools

Students who pass the 10th-grade Gateway Assessment can choose between a technical or college preparatory curriculum. They can also enter a tech prep program or take post-secondary education classes for high school and post-secondary credit. Technical preparatory courses meet the same academic standards as college preparatory courses, but the teaching methods focus on practical applications of the material.

In 1993, the State Board of Education and the State Commission for Higher Education adopted Indiana Core 40, a set of core credit requirements for both preparatory pathways in high school. Starting in 1998, Indiana's four-year colleges and universities have agreed to require Core 40 course credits for consideration for admission.

Indiana expects to include documentation of attendance, Gateway Certificates, Certificates of Academic Achievement and Certificates of Technical Achievement on all high school transcripts. There also will be changes in the counseling system to prepare students to make informed choices about their high school options. The state plans to emphasize career exploration in early grades and require ninth graders to meet with school counselors to develop a career development plan.

Initial Technical Training Options

Tech prep and youth apprenticeship programs are the two major technical training options available to young people. Tech prep is the central avenue for technical training in the state. Tech prep programs have been offered in Indiana since 1987 and as of 1994, were required to be offered state-wide. All programs offer two years of community college but are not required to include work experience. The state currently has five demonstration sites and 14 planning grant sites. These 19 programs cover the entire state, although only some programs meet all the state's criteria for a fully developed program. Teacher and staff training programs support planning and implementation of tech prep programs and tech prep consortia provide in-service training as part of their regional plan. The Commission on Higher Education recently approved a proposal to allow students dual enrollment in high school and vocational technical colleges.

Indiana is just beginning to develop a state youth apprenticeship program. The state has already developed a state-wide advisory committee and is using funds from its federal school-to-work planning grant to help develop apprenticeships. The state also has five 'workplace learning pilots' which were legislated in 1990. These pilots serve as models for the youth apprenticeship initiative.

Higher Education Reforms

Indiana's four-year colleges support Indiana Core 40 and the new assessment and certification systems as a way of enrolling better-prepared high school students. Indiana's two-year colleges are open admission institutions and do not require Core 40. The two-year colleges, however, have been restructuring their curriculum in response to the reform in K-12 education. Over the last two years, they have revised their curriculum and degree requirements, with emphasis on a common core of knowledge. The four-year institutions also are finalizing the details of program specific agreements with vocational and technical colleges, thus making it easier to transfer from a vocational or technical college to a four-year institution.

Upgrade Training and Retraining Efforts

Indiana is creating a technical and academic skills certification system for adults as well as high school students. Adults will be able to earn the same entry and advanced-level Certificates of Technical Achievement as young people in a variety of training settings including adult learning centers, business and industry, universities, area vocational schools and technical colleges.

Indiana's Training 2000 is the state's major fund for training employed workers. The program is a consolidation of two earlier training programs: the Basic Industry Retraining Program and the Training for Profit Program. The $13 million Training 2000 program underwrites up to 50 percent of the training cost for firms that make training part of a long-term strategic plan. There are incentives for small and medium-sized firms to upgrade the skills of their front-line workforce. The program was designed to enhance training programs for newly hired employees and to retrain current employees. Training 2000 supports training in 'traditional' (reading and writing) and 'new' skills (problem-solving and team leadership), transferable skills and company-specific skills. Training 2000 is administered through the state vocational technical colleges.

Indiana also offers basic skills training through a network of 16 regional Workforce Development Centers (see Delivery System section). They serve workers seeking to upgrade skills, as well as displaced workers and school dropouts.

Developing a Labor Market System

Indiana established a unified governance structure to oversee education, employment and training at the state level, although it has not yet created a regional governance structure. It also created a network of Workforce Development Centers to provide employment and training information and services to all Indiana citizens. Indiana is using funds from its federal one-stop planning grant to improve the quality of labor market information provided to clients through those Development Centers.

State and Local Governance

Governor Bayh established a Human Resources Investment Council (HRIC) by Executive Order in 1993 as the mandated state advisory body for the Job Training Partnership Act (JTPA), Wagner-Peyser, Perkins and Adult Education Act. The Council makes recommendations to the Governor about how to better coordinate federal funds to meet Indiana's human investment needs. The membership of the HRIC is one-third business, one-third labor and community groups, and one-third government and education. The Governor appoints a private sector chairperson. The state has not developed regional governance structures for education, employment and training programs.

Delivery System

Indiana's regional Workforce Development Centers serve as one-stop centers for a range of employment services. They offer skill assessments, job task analysis, job placement services, labor market information, workshops and seminars for those seeking employment or career information. There are 16 existing Centers and Indiana is considering a variety of sites for additional Centers, including universities, two-year colleges and community-based organizations. These Centers will be the primary delivery sites for the Adults Gateway Assessment and will award Gateway Certificates. Indiana also is using a common set of assessment tools to assess worker skills across all the Centers and instituting measures to ensure that all workers are uniformly trained. The Workforce Development Centers do not offer opportunities for people to enroll in training programs or public services; they serve as employment information and support centers.

Labor Market Information

Workforce Development Centers are the primary delivery sites for labor market information in the state. Each Center offers information on careers, education options, training programs, labor market trends and community services to support employment. Information is available through books, pamphlets, videos, on-line databases and audio tapes. County Highlight information is available on-line throughout the state and offers county-specific information on general economic conditions, leading occupations and wages, and benefits for those occupations.

Indiana has also started Labor Exchange 1996 (LENS) which is intended to upgrade and computerize the labor market information system throughout the state. The long-term plan is to create a single state-wide automated computer system which would act as a database for all services available to everyone in the state. At this point in the process, the state is developing Career Information Fields to organize information about occupational descriptions, education and training requirements, job forecasting and salary forecasting. There are no current plans to create new 'consumer information' on the costs and success rates of education and training options to help people choose between programs. Indiana will use funds from its federal one-stop planning grant to commission new local labor market analyses and to build staff capacity within the Department of Workforce Development to analyze and disseminate the results.

KENTUCKY

State Strategy and Challenges

Kentucky leads the nation in its effort to restructure its schools. The 1990 Kentucky Education Reform Act (KERA) called for a complete restructuring of the education system. Kentucky has identified broad learning goals for students and more specific academic expectations. The state has also developed a state-wide assessment system that measures what students know and how well they can apply what they know. In addition, Kentucky is implementing a school accountability system linked to student performance. With an implementation grant from the federal government, Kentucky also is creating new options to help young people make the transition from school to work, further education or training. To guide their school-to-work effort, Kentucky created a state Workforce Partnership Council and school-to-work partnership regional councils. The Workforce Partnership Council also is overseeing the development of a system of one-stop centers that will provide information and referral services on education, employment and training programs to employers, workers and the unemployed. A key challenge facing the Bluegrass State is to focus its economic development strategies on strengthening state industries and linking these strategies to investments in the skills of the workforce.

Context and Key Events

A 1989 court order to equalize education funding across the state provided Kentucky with the opportunity to overhaul its education system. The Legislature passed KERA, one of the nation's earliest comprehensive plans for systemic education reform. Since 1990, virtually every part of the education system has been affected by KERA.

Workforce development reforms have been less radical, but efforts are underway to develop a broader human resource investment strategy. In 1990, the Workforce Development Cabinet was created to coordinate adult education and training programs. The Workforce Development Cabinet receives most of the major federal job training and adult education funds for Kentucky, including Job Training Partnership Act (JTPA), Perkins, Adult Education and Rehabilitation Act funds. In 1994, an Interagency Commission on Education and Job Training Coordination was charged with moving forward state efforts to educate, train and reeducate Kentucky's present and future workforce. Finally, the Workforce Partnership Council was created in 1994 to coordinate the state-wide school-to-work effort, as well as develop a system of one-stop centers for career information and training. In 1994, Kentucky also joined the National Center on Education and the Economy's High Skills State Consortium to move forward with their workforce development agenda.

Economic Development Policy

In May 1994, the Kentucky Economic Development Partnership Board, a public-private board established by the Legislature to oversee state economic development, and the Economic Development Cabinet released the state's first strategic plan for economic development. The plan described five basic goals for the state including reducing unemployment, increasing per capita income and creating a globally competitive business environment. The plan also outlined specific strategies and actions to achieve these goals.

The Economic Development Cabinet has other efforts underway to build a more highly skilled workforce. The Bluegrass State Skills Corporation (BSSC), a division of the Economic Development Cabinet, supports partnerships between education institutions and businesses to train workers. BSSC partially reimburses the cost of instruction for an educational institution, an in-house instructor or a consultant. Most of BSSC's training programs, however, are short-term.

To encourage companies and industries to work collaboratively, the Economic Development Cabinet also is developing a plan to create manufacturing networks in key sectors of the state's economy. A

network has been started in the wood products industry. The Economic Development Cabinet plans to expand this effort to include other industries by July 1995.

Reforming the Basic Education System

In June 1989, the Kentucky Supreme Court declared Kentucky's entire school system unconstitutional. A 1988 decision by a lower court already had ruled that Kentucky's school financing system was inefficient and discriminatory. In response to both of these rulings, the Legislature and the Governor appointed a task force to draft a reform plan. The recommendations were legislated in the 1990 Kentucky Education Reform Act (KERA), which called for a performance-driven education system with high standards and high expectations for all students.

Standards, Assessment and Curriculum Frameworks

As part of KERA, the state developed six broad learning goals for students. Schools are responsible for developing students' ability to:

- apply basic communication and mathematics skills in situations similar to those they will experience in life;
- apply core concepts and principles from science, mathematics, social studies, arts and humanities, practical living studies and vocational studies;
- demonstrate self-sufficiency;
- demonstrate responsible group membership;
- apply thinking and problem-solving skills; and
- integrate knowledge.

Seventy-five more detailed academic expectations for students were developed within these six learning goals. In 1994, the learning goals were slightly modified to make them more specific and the academic expectations were consolidated into 57 expectations.

While a Certificate of Initial Mastery (CIM) was not mandated in KERA to certify that students have acquired the core academic knowledge and applied learning skills in the six learning goals, the development of a CIM is included in Kentucky's school-to-work implementation plan. In the plan, the CIM is described as a 10th-grade certificate that would be available for all students. Efforts are underway to determine how a CIM might be implemented state-wide by 2002. As a member of the National Alliance for Restructuring Education, 15 Kentucky schools have committed to putting the CIM in place and restructuring their schools to help students meet CIM standards. The state's goal is to have some of these schools pilot a CIM by 1996.

In addition, the state has developed a new assessment system. Students are now tested in reading, mathematics, writing, science and social studies in grades four, eight, 11 and 12. The assessment system measures student performance against the academic expectations and includes paper-and-pencil tests, open-ended questions, writing tasks, performance events and portfolios. Benchmark scores have been determined for schools to establish a measurable objective for improvement. From 1992 to 1993, student performance scores increased by eight percent. 1994 test scores also showed progress in most subjects.

KERA also required the State Board for Elementary and Secondary Education to provide local schools with a model curriculum framework to help their students meet the six learning goals. The framework is organized around the six learning goals rather than specific subject areas. For each learning goal, there are academic expectations listed as well as 'demonstrators.' Demonstrators are even more specific indicators of what students should know and be able to do to meet the academic expectations.

Alternative Education and Second-Chance Systems

Kentucky does not have a state-wide second-chance system, but the state is working to make sure all students are able to meet its learning goals. The state funds dropout prevention demonstration projects for 40 of its 176 school districts. The 20 school districts with the highest dropout rates and the 20 districts with the greatest numbers of dropouts receive funding from the state. Family

Resource and Youth Service Centers (described in the Community Services and Supports section) also serve as an integral part of Kentucky's dropout prevention system.

Community Services and Supports

KERA authorized the establishment of a network of Family Resource and Youth Service Centers in schools where at least 20 percent of the students qualify for free school meals. Family Resource Centers provide elementary school students and their families with preschool child care, summer programs for school-age children, child development programs and health services. Youth Centers support adolescents by providing health and social services, employment counseling, substance abuse counseling, family crisis counseling and mental health counseling. The state's Cabinet for Human Resources coordinates the network of Family Resource and Youth Centers with technical assistance from the Department of Education. Centers are located at schools or nearby sites. School boards submit applications on behalf of schools, which are chosen on a competitive basis. There are 375 Youth Centers serving 569 of the 1,100 eligible schools. The state increased funding for Centers from $9 million in 1992 to $34 million in 1994.

School Organization and Management

KERA established rewards, assistance or penalties for schools based on their success in helping students achieve specified outcome standards. Successful schools receive financial rewards from the state; unsuccessful schools are required to develop improvement plans. The legislation also stipulates that by 1996, if a school fails to improve and is declared a "school in crisis," students may transfer to a more successful school.

KERA also requires schools to create school-based decision making councils. These councils, composed of three teachers, two parents and an administrator, adopt policies regarding instructional materials, personnel, curriculum, extracurricular programs and other aspects of school management. By July 1994, 750 of the 1,400 schools in the state already had initiated school-based decision making. All schools must participate in school-based decision making by July 1996, except for successful schools that request a waiver and districts that have only one school.

In addition, KERA requires Kentucky to provide more professional development opportunities for teachers and certified employees. Training must focus on either helping educators to implement the KERA reforms or improving management and leadership skills. The Department of Education has focused on developing longer-term programs to improve teachers' skills rather than a series of isolated in-services.

The Department's professional development series also helps train teachers and administrators at the regional level. Regional service centers in eight locations provide training in KERA reforms. Districts also can create professional development consortia to expand opportunities for teachers beyond their individual schools. The Department requires each school to have a professional development plan. Previously, only districts had to submit plans.

Education Financing Reforms

A June 1989 Kentucky Supreme Court decision required the Legislature to establish an education system that was substantially uniform throughout the state and provide sufficient money for an adequate education for each child through a new funding formula. By 1994, the new formula had reduced the per pupil disparity between the top quartile districts and the bottom quartile from $1,200 a year to $600 a year. As a part of the reform, financing is linked to school and student performance. Schools are assessed to determine a base-line level of student achievement and they are awarded funds based on improvements in student achievement.

Reforming the Post-Basic Education and Training System

Under KERA, high schools are evaluated in part on the proportion of students who make a successful transition to work, post-secondary

education or the military. As a result, schools are expanding school-to-work transition initiatives and tech prep programs to improve student transition rates. Kentucky was one of six states that won a federal school-to-work implementation grant in 1994 to help them develop a comprehensive school-to-work system. The School-to-Work State Partnership Council (later renamed the Workforce Partnership Council) was formed to guide policies being developed with funds from Kentucky's federal school-to-work implementation grant. Members of the Partnership Council include representatives from the education, labor and business communities.

To help implement school-to-work programs at the local level, the State Partnership Council called for the creation of local partnership councils. These councils are being formed in 22 labor market areas. The University of Kentucky's Center for Economic and Urban Studies recommended dividing the state into 22 labor market areas based on the regional manufacturing, job growth rates, population base, educational facilities, transportation networks and government service delivery systems. The State Partnership Council adopted this recommendation and asked local groups in each labor market area to apply to become certified partnership councils. Each certified council will be responsible for fostering, supporting and steering the implementation of school-to-work programs in its region. The local councils' role in a broader human resources investment strategy has not yet been discussed.

In 1994, the Partnership Council also established state and local performance standards for school-to-work programs including the following:

- By 1999, all local partnership councils will have a school-to-work system in place providing access to all students within their geographic area.
- By 1999, 50 percent of all students enrolled in grades 9-12 will be participating in a school-to-work program.
- By 1999, students graduating from school-to-work programs will be employed for a wage of $8.00 per hour or $16,000 a year.
- By 2002, 90 percent of all students participating in school-to-work programs (in schools issuing Certificates of Initial Mastery) will have a Certificate of Initial Mastery.

In addition, Kentucky created an Interagency Commission on Education and Job Training Coordination in 1994 to initiate other broad reforms in the post-basic education system. The Commission includes the Chair of the Council on Higher Education, the Executive Director of the Council on Higher Education, the Chair of the State Board for Elementary and Secondary Education, the Commissioner of Education, the Chair of the State Board of Adult and Technical Education, the Secretary of the Workforce Development Cabinet and the Chair of the Board for the Kentucky Higher Education Assistance Authority. The Commission is developing plans to allow students to transfer from one school or college to another, expand work/study scholarship programs and help develop more business and education partnerships across the state.

Restructuring High Schools

A Task Force on High School Restructuring is recommending new ways to organize high schools and is developing new graduation requirements tied to the KERA outcomes. The Department of Education awarded grants to model schools to test new ways of determining what students should know and be able to do prior to graduating from high school. The model sites are piloting academic portfolios, student-initiated culminating projects and presentations before an exit review board. The Department hopes to develop new performance assessment guidelines for graduation by the 1996-97 school year.

As part of the plan to implement its school-to-work transition system, the state is working with industry to develop Career Major Certificates for students who complete an educational program that includes work-based learning. These Certificates will be awarded at the end of 12th grade. The state will pilot the Certificates in seven of its regional labor market areas by 1996. By 2002, all students in

Kentucky will be able to work toward Career Major Certificates. It is not yet clear what the academic or technical level of the Certificate will be and what the Certificates will allow the student to do after they receive them.

Initial Technical Training Options

Kentucky began offering tech prep programs in 1990. The state funds 43 sites serving 60 secondary schools. Kentucky is increasing state funds for the 1994-95 school year to expand the number of tech prep sites. Although the tech prep programs in Kentucky do not require a work-based learning component, many sites are beginning to include one as part of their program. Kentucky also offers a limited number of pre-apprenticeships for youth in specific occupations through the Kentucky Labor Cabinet's Division of Employment Standards and Mediation. Pre-apprenticeships prepare students to enter into a Registered Apprenticeship program.

Higher Education Reforms

In 1992, the General Assembly established new goals and indicators of success for Kentucky higher education. In 1993, Governor Jones established two groups: the Governor's Task Force on Teacher Preparation and the Governor's Higher Education Review Commission. The reports of these two groups emphasized strengthening accountability, streamlining the admissions process and demonstrating a greater responsiveness to the needs of constituents. As a result, the Council on Higher Education is developing a new funding model based on institutional performance and outcomes.

Upgrade Training and Retraining Efforts

The Kentucky Tech system provides most of the state's adult training in secondary and post-secondary vocational-technical schools across the state. Schools that are part of the system have a Technical Guarantee Policy, which guarantees employers that any Kentucky Tech graduate who performs below a satisfactory level in their certified skill within two years of their graduation will be retrained at no charge to the company.

Kentucky does not have a training trust fund for upgrade training and retraining of its current workforce, but the Kentucky Department for Adult Education and Literacy supports a number of adult basic education programs at worksites in cooperation with business and industry. The Workplace Essential Skills program is another initiative led by Governor Jones that will expand state-wide in the 1995-96 fiscal year. The Governor has allocated $1.6 million to help local education and training providers develop customized industry training programs. The Department of Economic Development also has a program to help employers develop training programs for their workforce (see Economic Development Policy section).

Developing a Labor Market System

In 1994, Kentucky created the Workforce Partnership Council (formerly the School-to-Work Partnership Council) to oversee two critical components of the state's human resources investment agenda: a school-to-work transition system and a one-stop service delivery system to help employed adults, the unemployed and employers access education, employment and training programs. Regional governance structures for workforce development have not been created, but Kentucky has established regional councils to oversee local efforts to build school-to-work partnerships. The state also is planning to improve the delivery of all of its workforce development programs by improving the capacity of its local employment offices and providing them with the labor market information they need to develop customer-driven services.

State and Local Governance

The Workforce Development Cabinet, created in 1990, integrated all state-supported adult basic education, occupational and job training agencies and programs within a single executive-level government entity. These bodies include the:

- Kentucky Occupational Information Coordinating Committee,
- Governor's Council on Vocational Education,
- Kentucky Job Training Coordinating Council,

- State Board for Proprietary Education,
- Department for the Blind,
- Department of Adult Education and Literacy,
- Department of Vocational Rehabilitation,
- Department for Technical Education, and
- Office of Training and Reemployment (which houses the JTPA programs).

Vocational Education at the secondary level, however, was kept at the Department of Education.

The Chair of the Workforce Development Cabinet heads the Workforce Partnership Council. The Council was created in 1994 to oversee the development of a school-to-work system and a system of one-stop centers to serve the education, employment and training needs of all Kentucky citizens. The Partnership Council also serves as the Governor's chief advisory body on workforce development issues. Although the Partnership Council has no funding authority over specific programs, the heads of all of the relevant state agencies, business and labor leaders and others are members.

Delivery System

Clients access information about jobs and training programs at local employment offices. Kentucky won a federal one-stop planning grant in 1994 to improve and expand the services now available at local employment offices. The state's goal is to develop one-stop centers that have consumer-friendly information on education, employment and training programs. These centers would serve employers, unemployed workers and employed adults seeking information or services. The centers will provide information about available jobs, labor market information useful to employers or training providers, as well as career counseling, skill assessments and program referral services for clients. Localities most likely will decide whether or not one-stop centers will be able to enroll clients in education or training programs or just provide information and referral services.

Labor Market Information

The Kentucky Occupational Information Coordinating Committee (KOICC) operates an occupational, an economic and a student/career guidance system. The economic system maintains information on labor market trends and the occupational system lists training programs available state-wide. All of the training programs listed on the system have been certified by the state. The state also operates an on-line job bank. Both public and private employers use the system, but there has not been any data collected on the success of the system to match clients with jobs.

MAINE

State Strategy and Challenges

Maine is committed to creating a new system for investing in people. Limited funding and an economic recession, however, have made it difficult to implement comprehensive reforms in the state. Still, Maine has made significant progress. It has developed a broad education restructuring agenda, which includes setting new academic standards, creating a new assessment system and developing a new academic certificate. Maine also is designing a school-to-work education system offering structured technical training pathways for young people. This effort is supported by a federal school-to-work implementation grant. The state has not moved as quickly on the design of a comprehensive labor market system. Its plans, however, include replicating one-stop employment and training service centers across the state. Maine also is considering creating a unified state and regional governance structure for education, employment and training programs. A state advisory council already is empowered to develop state policy for employment and training, but no regional governance structures exist. Finally, Maine has just begun to focus on a long-term economic recovery plan linking its economic development agenda to its education and training agenda. The plan has not yet been implemented, but it is an important initial step.

Context and Key Events

The recent recession hit Maine especially hard. Since the late 1980s, the state has struggled to overcome defense industry downsizing and a rapid rise in the number of dislocated workers. In the past five years alone, Maine lost six percent of its employment base and unemployment tripled. Defense conversion, coupled with a long-term loss of manufacturing jobs, indicates structural economic change that needs to be addressed through new economic policies and training strategies.

Under the leadership of Governor John McKernan, Maine began to develop a long-term economic recovery plan. The state's strategy is based on creating an education, employment and training system driven by economic development priorities. A series of state reports, including *Maine's Challenge*, modeled on *America's Choice: low skills or high wages!*, recommended the creation of such a system. Specifically, the reports proposed overhauling the education system, restructuring opportunities for non-college bound students and developing an economic strategy to create high wage, high skill jobs to replace the ones permanently lost over the past decade. The budget crisis made it difficult to fully implement many of these recommendations. Many programs funded in the 1980s were cut back or eliminated in the last few years.

Despite this, the state has made progress through a combination of low-cost state initiatives and local pilot projects. These include:

- setting voluntary state education standards;
- developing a Certificate of Core Mastery to represent mastery of the academic and applied learning skills necessary for all types of work in high performance work organizations;
- creating a state council to oversee employment and training policy;
- replicating model one-stop centers for unified access to employment and training; and
- piloting an automated case management program at employment center offices throughout the state.

Most recently, Maine received a federal school-to-work implementation grant for its *Career Opportunities 2000* proposal to restructure education and training opportunities for young people. The state also joined the National Center on Education and the Economy's High Skills State Consortium in 1993 to move its education, employment and training reform agenda forward.

Economic Development Policy

Maine's economic development strategy is focused on reemploying dislocated workers and encouraging job development. These priorities were identified by the Economic Growth Council, which

was appointed by the Governor in 1992. The Council's mandate was to propose both short-term and long-term policies to address the economic crisis. Initially a 250-member, bi-partisan, public/private group, the Council is now composed of 19 members appointed by the Governor, the Senate President and the Speaker of the House. It includes membership from the state Legislature, government agencies and community groups. Specifically, the Council was directed to:

- establish a permanent economic development strategy including a state-wide vision, an industrial policy and benchmarks to measure progress toward the vision;
- establish a new environmental regulatory process;
- fund public education at least at fiscal year 1993 levels and prevent further cuts in the education budget due to the state deficit;
- invest in Maine's infrastructure and provide for business capital needs; and
- improve fiscal management.

The Council completed its initial report to the Governor in May 1993, focusing on short-term policies to address the unemployment crisis. The Council is now developing a second report focusing on future strategies to address long-term economic restructuring, scheduled to be finished by the end of 1995.

Maine has two state training funds to support its economic development strategy. In 1990, the Legislature created a $1 million Governor's Contingent Fund to help businesses retrain employees in new technologies that increase competitiveness. It is administered by the Department of Labor and the Department of Economic and Community Development and focuses mainly on manufacturing and high tech industries.

The 1994 Legislature created a $2.6 million Quality Center Program which offers customized training for new and expanding companies through the state's technical college system. The technical college system guarantees the skills and technical competence of the workers trained through the Program and offers free retraining if the businesses decide the trainee does not meet their standards. The Program's criteria require that training funded through the Quality Center prepare workers for full-time, high skill jobs with benefits. Workers trained through Quality Center programs also accumulate credits toward associate's degrees. Maine's previous customized training program required businesses to cover the entire cost of training.

Maine does not provide any specific state incentives for companies to adopt high performance forms of work organization. However, the Maine Department of Labor is developing a technical assistance program to help companies make the transition to high performance work organization. The first phase of the Essential Work Competencies Project is to identify high performance work skills through employer focus groups. The Department plans to work with companies to make these competencies widely known throughout the state. The Department will link this initiative to state-wide standard-setting efforts once national skill standards are developed. The project was a response to the recommendation in *Maine's Challenge* that the state support high performance forms of work organization.

Reforming the Basic Education System

Maine has been working to build a standards-driven education system since the mid-1980s. A series of reports outlined the state's strategy:

- the 1985 *New Directions for Applied Technology Education* recommended new alternative education programs to give students educational choice;
- the 1990 *Common Core of Learning* defined the knowledge and skills all Maine students should have when graduating from high school;
- the 1992 *Success Begins with Education* proposed a performance-based assessment system, a Certificate of Core Mastery, greater

school system accountability, comprehensive school-to-work transition programs, and closer collaboration among educators, families, businesses and social service providers; and

- the 1993 *Maine's Challenge* supported the Certificate of Core Mastery idea and proposed new certificates for those completing occupational and technical programs and a new system of training for non-college bound students.

In 1993, the Legislature took a first step toward implementing these recommendations. It passed the Act to Strengthen the State Board of Education mandating the creation of state education standards, and created a commission to restructure the system for financing education.

Standards, Assessment and Curriculum Frameworks

The 1993 legislation created a Task Force for Learning Results, appointed by the State Board of Education, to establish a vision, goals and a five-year strategic plan for a new education system based on new standards. This Task Force also was charged with identifying content standards in core academic subjects based on Maine's *Common Core of Learning*. The Task Force will establish standards in English language arts, foreign language, social studies, mathematics, science, fine arts and health. In April 1995, over 300 teachers will meet to develop draft standards. Once final standards are developed, it is expected that they will be adopted by the Legislature. To further the development of new standards and performance-based assessments, Maine joined New Standards in 1993.

Students in Maine are assessed by the Maine Educational Assessment (MEA). While there is no specific legislation directing the Department of Education to incorporate the standards developed by the Task Force for Learning Results into the MEA, the state expects to do that. Maine is currently incorporating the *Common Core*, developed after the MEA, into the assessment. The MEA tests students in grades four, eight and 11 in six subject areas. The test began as a multiple-choice assessment. The state has since expanded its use of performance items and is now approximately half open-response. It also includes a student writing sample.

Already under development is a Certificate of Core Mastery. The Department of Education intends the Certificate to be required of all students and has included development of the Certificate in its plan for using federal *Goals 2000* funds. The Certificate will be issued whenever students meet the standard, expected to be at about age 16. The development of the Certificate is being driven by the state's school-to-work transition program.

Alternative Education and Second-Chance Systems

Maine currently has no state-wide system for alternative education. Programs for at-risk youth are administered by the vocational education system. *Maine's Challenge* did call for the development of regional youth skills centers, but the state has not moved on this recommendation. Instead, the state is moving forward with a new plan outlined in *Career Opportunities 2000*.

The plan structures options for at-risk, in-school youth into three programs: one for seventh and eighth graders, which emphasizes reconnecting youth with school, one for ninth and 10th graders, which focuses on academic and social issues and career planning, and one for 11th through 13th graders, which is the career prep track. The career prep track is an alternative program for those students not yet prepared to choose one of the technical training pathways offered to 11th graders. These three programs will be operated state-wide by Jobs for Maine's Graduates. Under *Career Opportunities 2000*, Maine also will develop Youth Dropout Recovery Centers to provide support services for students at-risk of dropping out of school. The Centers will be operated by private industry councils.

In addition, Maine has provisions for adults to earn high school diplomas in high school, rather than GEDs. More adults enter this program than basic education programs leading to the equivalency diploma.

Community Services and Supports

There is no state effort to link schools to community services and supports. The broadest effort to create school-community linkages is the work of the Aspirations Foundation, a non-profit organization funded by Maine businesses. The Aspirations Foundation helps schools, businesses and communities form partnerships with local service providers and form ongoing school and community partnership councils. It does not advocate a specific agenda or model; each community offers a different program including such services as day care, preschool, counseling and mentoring. The Aspirations Foundation has worked with 14 school districts, and plans to expand its efforts across the state.

School Organization and Management

While site-based management was a key recommendation of *Maine's Challenge* and *Success Begins with Education*, there has been no systematic movement toward implementing site-based management. The Department of Education, however, works with interested schools and school districts in developing site-based management strategies.

Since 1984, Maine has distributed $10,000 grants to school districts for systemic restructuring efforts through the Innovative Education Grants Program. Currently, 28 of Maine's 188 school districts have received grants. Approximately 80 percent of the funds are used for professional development activities, many of which bring staff and community together to discuss goals for the school. Schools must submit a comprehensive self-assessment and restructuring plan to receive the funds. A team within the Department of Education — the Change Team — works with districts to help design restructuring plans. Maine plans to distribute its *Goals 2000* funds through this program.

To leverage more resources for restructuring, Maine also participates in several national reform projects. It received a National Science Foundation State-wide Systemic Initiative grant in 1992 to improve mathematics and science curriculum. Seven districts have been participating in the project and Maine is planning to expand this effort throughout the state. The project, called the Maine Math and Science Alliance, focuses on creating integrated mathematics and science curriculum, linking the schools to community resources for curriculum development and improving professional development for teachers in mathematics and science.

One school district in Maine also is participating in the New American Schools Development Corporation's Atlas Communities Project. The state is planning to expand this effort to more schools through the Casco Bay Education Alliance, an alliance of six school districts. Atlas schools link individualized teaching methods, curriculum and assessment among groups of feeder schools to create coherent educational pathways for students. Maine also has four regional education alliances of school districts, businesses and community groups. These alliances support reform initiatives throughout each region.

Education Financing Reforms

The 1993 Act to Strengthen the State Board of Education directs the State Board of Education to recommend to the Bureau of the Budget ways to equalize funding for educational opportunity. A task force was convened by the State Board to analyze governance and accountability issues related to school funding. The task force recommended examining the broader issues of school governance and accountability before devising a new funding formula. In 1994, the Legislature created the Rosser Commission to conduct this broader overview of financing issues. The Rosser Commission's report will be presented to the Legislature in early 1995. It is expected to recommend that schools be held accountable for helping students reach new education standards and that school financing be linked to what students need to meet standards.

Reforming the Post-Basic Education and Training System

While Maine already had been creating new technical training options for non-college bound youth through the development of

pre-apprenticeship programs, youth apprenticeship programs and tech prep programs, the *Career Opportunities 2000* plan spells out a more comprehensive system. The proposed system is based on offering six career/life pathways to students after they achieve a Certificate of Core Mastery. All pathways will provide both academic and skills development through school-based and work-based learning. Each pathway will lead to a high school diploma and a Certificate of Workplace Competency in 12th grade. If students continue in their pathway for an additional year at a technical college, they will receive a Certificate of Skill Mastery (CSM), in addition to any degree or certification awarded by the technical college. The CSM is expected to reflect the standards developed by the National Skill Standards Board. At the moment, the CSM is being developed as a certificate testifying to mastery of whatever set of technical skills a young person has mastered, similar to a transcript. These Certificates are currently under development by the Skill Standards Board of the Maine Youth Apprenticeship Program, which includes education, labor and industry representatives.

Restructuring High Schools

When they are implemented, the proposals in *Career Opportunities 2000* will have a great impact on high schools in Maine. High schools may offer a college prep curriculum plus six clearly articulated career/life pathways. These pathways are not occupational pathways; they are different forms of work and school-based learning experiences. Maine also will provide comprehensive job placement or further education placement services for up to 18 months following completion of a student's program. To support the system, the state intends to expand career guidance counseling. Each student will be required to develop an Individual Opportunity Plan (IOP) with the support of teachers, counselors, coaches and parents. The individualized employment and education plan will outline a course of study for grades 11-13.

Initial Technical Training Options

Maine will offer technical training through a range of different career/life pathways. Each will include both work and school-based learning. Maine's new system of six career/life pathways includes:

- youth apprenticeship;
- pre-apprenticeship;
- tech prep programs;
- occupational preparation programs involving occupation-specific, work-based training;
- cooperative education programs offering training in a variety of selected occupations; and
- a career preparation program designed as a transitional course of study for students not yet prepared to enter any other pathway.

Although not every high school will offer all six pathways, all students will have access to all six pathways through regional agreements.

The Maine Youth Apprenticeship Program was initiated by the Governor in 1992. The Youth Apprenticeship Program enrolled 100 students in 1994-95 and is expanding state-wide over the next few years. Apprenticeships are available in 19 broad occupational areas and integrate work and school-based instruction. Apprenticeships last three years, beginning in the 11th grade, and culminate with a year at a technical college. The program is coordinated by the Maine Technical College System through the Center for Youth Apprenticeship. Maine is developing industry standards for entry-level work in a limited number of occupational areas. Youth apprentices will work toward these standards and receive a CSM. Maine also has a pre-apprenticeship program, initiated in 1991, for secondary school students not ready to enter a Registered Apprenticeship. This program leads to a certificate developed by the Council for Pre-Apprenticeship and guaranteed enrollment in a Registered Apprenticeship. The Registered Apprenticeship and Youth Apprenticeship systems are separate.

Maine has formed five regional tech prep consortia in the last three years, administered statewide by the Tech Prep Consortium. These

programs are available through every high school. Tech prep programs in Maine do not require work-based learning.

Higher Education Reforms

Under the *Career Opportunities 2000* plan, any of the technical training pathways chosen by high school students will allow access to higher education. Higher education institutions also have been involved in the discussion of developing new admissions standards based on the *Common Core*. The Maine Technical College System, which has become a central part of the state's school-to-work and training strategies, was just expanded and made into a state system in the mid-1980s.

The Technical College System completed a report, *Skills for the 21st Century*, which identifies and defines the critical skills required in high performance-work organizations. The colleges are working to integrate those skills into their curriculum. This process is expected to take three to five years.

Upgrade Training and Retraining Efforts

The state offers several special training funds for dislocated and unemployed workers. These include: the Strategic Training Accelerated Reemployment (STAR) program, the Maine Training Initiative (MTI), the Health Occupations Training Fund and the Reskilling Project. Maine also restructured its customized training programs through the Quality Center Program (see Economic Policy Development section).

Maine funded STAR in 1991 to target displaced or unemployed workers for upgrade training or retraining. STAR identifies and contacts unemployed workers by the sixth week of unemployment and offers retraining and a stipend in addition to unemployment compensation. The program, originally funded at $2 million per year, has been cut to $1.2 million and may be cut further in 1995.

MTI provides funding to help clients stay in training programs longer and to allow non-Job Training Partnership Act (JTPA) clients to participate in those programs if their counselors think such participation will benefit them. MTI has been funded at $600,000 per year. The Health Occupations Training Fund was created to relieve a shortage of health care workers in Maine by increasing education and job training in health care professions. This fund is created by consolidating funds from other state and federal programs. Hospitals and other health care institutions can request that local technical colleges provide training in fields where there are shortages. The health care institutions will guarantee a set number of jobs and the Department of Labor can provide seed funds to the technical college to design and deliver a program to fill the shortage.

In 1993, the Legislature also funded a two-year Reskilling Project to provide dislocated and unemployed workers access to technical colleges.

Developing a Labor Market System

Maine has created a state council to oversee education, employment and training programs, but has not yet created regional governance structures to oversee programs in the regions. The state has some model one-stop centers for employment and training services and has developed a new automated case management system for its employment offices.

State and Local Governance

At the state level, the Human Resources Development Council (HRDC) is the oversight body for employment and training programs. Created in 1987, it includes commissioners from six state departments, legislative leaders and representatives from private industry, community-based organizations and organized labor. HRDC subsumed the responsibilities of the State Job Training Coordinating Council. HRDC works to identify goals in human resources development, to monitor state agencies' efforts in meeting those goals, and to promote state efforts to engage the private sector in education and training initiatives. It does not have a formal role in developing legislative proposals, nor does it have authority over funding as would a Human Resource Investment Council.

Several state reports have recommended the establishment of local human resource development councils to oversee education, training and employment services in regions of the state, but there are no plans to do so at this time.

Delivery System

Maine does not have a state-wide one-stop delivery system for education, employment and training services. The Bureau of Employment and Training does, however, fund several pilot one-stop centers, including a notable center in Bangor, that provides comprehensive employment and training services on a case management basis driven by information about the quality and success rates of training programs. The state plans to replicate these centers throughout the state.

Because it is a rural state, Maine is focusing on developing models of computerized access to information and employment services to ensure state-wide accessibility. *Career Opportunities 2000* also proposed developing 10 regional Career Information Centers, to be housed in technical centers, to provide comprehensive career and educational information to the general public. This would include the information now available through employment offices. There are no plans at the moment to offer clients opportunities to enroll in programs through these Centers.

Labor Market Information

Since 1992, the Bureau has been developing an automated case management system for all employment offices. The system is called CIMS and links information from three separate information data bases: Job Service data, Unemployment Insurance data and the Division of Economic Analysis and Research data. The information available includes:

- information about eligibility guidelines for JTPA programs;
- projected job openings in different careers;
- educational information about wage rates and training for different careers;
- information on instructional methods and costs of different training providers;
- numbers of applicants to training programs; and
- placement rates of participants in different training programs.

The Bureau plans to make CIMS available in all job service offices by 1996-97. It is currently being piloted in several offices in the state, including the model one-stop centers.

MASSACHUSETTS

State Strategy and Challenges

Massachusetts created the MASSJOBS Council and Regional Employment Boards in 1988, becoming the first state to develop a state and regional governance structure to coordinate education, employment and training programs. As the state's Human Resource Investment Council, the MASSJOBS Council has supported economic development initiatives in high skill, high wage industries and developed an integrated workforce development budget. At the local level, Regional Employment Boards have identified critical and emerging sectors of the economy and directed the state's workforce development resources to support those industries. Massachusetts also received federal implementation grants to create one-stop employment and training centers state-wide and a school-to-work transition system. Massachusetts' school-to-work system will build on the state and local workforce development efforts underway, as well as the comprehensive education reforms legislated in 1993. This legislation eliminated the general track and mandated setting new education standards for all students, developing a performance-based assessment system and designing three types of certificates for high school students. A key challenge for the Bay State is to continue to link its education reform to its broader workforce development system.

Context and Key Events

In the late 1980s, the Legislature created the MASSJOBS Council to replace the State Job Training Coordinating Council and coordinate all federal and state workforce development programs. The MASSJOBS Council brings together key representatives from business, labor, government, education and relevant state agencies. At the local level, Regional Employment Boards were created to oversee education, employment and training programs and replace regional private industry councils. Since 1988, the MASSJOBS Council and the Regional Employment Boards have helped the Commonwealth weather economic downturns and develop an economic strategy that invests in people.

Between 1988 and 1991, Massachusetts lost more than 400,000 jobs — or one out of every eight jobs. When Governor William Weld took office in 1991, he vowed to create an economic environment that is "nothing short of the best in the nation for business growth and new job creation." As a first step toward that vision, the Governor strengthened the MASSJOBS Council's role in directing workforce development policy and made it his chief advisory council for workforce development issues. Governor Weld has also supported technical assistance efforts to Regional Employment Boards to help them develop regional workforce development plans.

In 1993, Lieutenant Governor Paul Cellucci (the chair of the MASSJOBS Council) and other MASSJOBS Council members from the Executive Office of Education, the Executive Office of Economic Affairs, the Department of Education, the Department of Employment and Training and the University of Massachusetts began working on a long-term economic development blueprint for the Commonwealth. Their report, *Choosing to Compete: A Statewide Strategy for Job Creation and Economic Growth*, proposes policies and programs to improve the state's economic competitiveness and serves as the state's economic development master plan.

Recognizing that economic development relies on a better educated workforce, Massachusetts has focused on education reform as well. In 1993, the Legislature passed the Education Reform Act (ERA). The ERA is the most comprehensive education legislation ever enacted in Massachusetts, with over 150 new provisions for education reform. The ERA mandates a new system of standards and assessments, eliminates the general track in high school, and calls for the development of new high school certificates that measure academic achievement and work readiness skills.

School-to-work transition has also been an important component of Massachusetts' education reform strategy. Massachusetts was one of eight states awarded a federal implementation grant to develop a

state-wide school-to-work transition system. Massachusetts proposed the development of new technical training pathways as part of its strategy to help young people develop the skills and knowledge needed for the 21st century.

Economic Development Policy

The Weld Administration's economic development strategies have focused on creating a good environment for business. They have undertaken initiatives to: maintain fiscal stability and lower taxes, reform regulatory measures that impose substantial costs on business, lower government costs, emphasize export promotion, encourage innovation, develop public/private partnerships that promote economic competitiveness, and invest in training the workforce.

Regional Employment Boards (REBs) have played an important role in identifying the industries key to the state's competitiveness. Each REB has identified key industries and key occupations and skills in its region. The list of key industries generated by the REBs has helped guide policies and funding priorities at the MASSJOBS Council and other state agencies. The School-to-Work Committee, formed to implement the state's school-to-work system, also is developing skill certificates and school-to-work programs based on this list.

The Bay State Skills Corporation (BSSC) is another key player in the effort to develop more competitive state industries. The BSSC, created in 1981 by the Massachusetts Legislature, has developed a number of initiatives aimed at improving industry competitiveness through cooperation among individual employers. The Industrial Modernization and Applied Technology Services division of BSSC developed a manufacturing network program to help small and medium-sized companies in an industry increase their productivity, quality, growth and competitiveness. These networks are important to Massachusetts because so much of the industry is small: 90 percent of the manufacturing firms in the state employ fewer than 100 people. BSSC provides funds directly to existing networks or to companies interested in developing a network. According to BSSC, the networks allow groups of firms in an industry "to share information, leverage resources and accomplish tasks that they could not handle on their own." Several firms in the Precision Metalforming Network, for example, hired a consultant to help them prepare for ISO 9000 certification. The firms were able to receive quality assistance for a fraction of the price if each firm had hired its own consultant.

Finally, Massachusetts has a Quality Award to encourage innovation in the workplace. The Award was created in 1991 to highlight companies that have equipment, production processes, marketing strategies and workforce training programs that are state-of-the-art.

Reforming the Basic Education System

The Comprehensive Education Reform Act of 1993 (ERA) passed in the Massachusetts Legislature with broad support. This legislation mandates the development of a Common Core of Learning, new assessments, new curriculum frameworks and a 10th-grade, performance-based certificate. Massachusetts also has a number of initiatives underway to link community services and supports to schools.

Standards, Assessment and Curriculum Frameworks

In 1993, the Board of Education created the Massachusetts Commission on the Common Core of Learning to recommend a broad set of skills that all Massachusetts students should know and be able to do before they graduate from high school. The Commission released the Massachusetts *Common Core of Learning* in 1994. It identifies broad skills that students should be able to demonstrate, including the ability to:

- read, write and communicate effectively;
- define, analyze and solve complex problems;
- study and work effectively;
- demonstrate personal, social and civic responsibility; and
- acquire, integrate and apply essential knowledge.

Since the *Common Core* did not outline what students need to know and be able to do in core academic subjects, Massachusetts is designing new curriculum frameworks in mathematics, science and technology, history and social studies, English language arts, foreign languages, health, and the arts. The frameworks will contain academic content standards, suggest how the subject matter can be taught best, describe how to assess student progress and guide the selection of instructional materials. All frameworks will be completed by June 1995.

The *Common Core* and the standards developed in the curriculum frameworks will serve as the foundation for a 10th-grade 'competency determination.' According to the legislation, the competency determination will be a 10th-grade assessment that measures a student's knowledge in the Common Core areas, as well as core academic subjects including mathematics, science, history and social science, and English language arts. The state is designing the competency determination so that students do not just memorize information, but are required to apply what they have learned. Massachusetts expects to implement the competency determination by 1996-97. All students will be required to obtain the competency determination before they can receive a high school diploma.

To assess whether or not students are prepared to meet the standards in the competency determination in the 10th grade, the ERA authorized the development of a new assessment system in grades four and eight. The assessments in the early grades, as well as in 10th grade, will include student portfolios. As a member of New Standards, Massachusetts is field testing New Standards portfolio assessments and may use parts of those assessments in their new state assessment system.

Alternative Education and Second-Chance Systems

Massachusetts does not have a state-wide system of alternative education. Each district determines how much to spend and what kinds of programs or schools to support.[7] A 1993 State Supreme Court ruling also held that there is no statutory requirement for alternative education to be provided to non-special needs students expelled from school.

While the ERA did not change Massachusetts' alternative education policy, the legislation did require the Attorney General and the Commissioner of Education to study the feasibility of providing alternative learning centers for high school dropouts and chronically disruptive students. The ERA also authorized 25 charter schools (see also School Organization and Management section). While these schools were created to allow local groups greater control over their schools, many of the state's charter school applicants focus on serving at-risk youth. These schools may serve as models for alternative programs state wide, offering highly structured, hands-on education programs as well as strong social support services for students.

Community Services and Supports

Massachusetts has several initiatives to link education and social services. The Education Reform Act requires all schools to develop a pre-school health program based on the community's needs. As of April 1994, 290 communities had received an average of $5,000 in community partnership grants to support these programs in schools.

The Executive Office of Education also has awarded almost $1.4 million in Comprehensive Health Fund grants to 13 pilot sites. These pilot sites serve impoverished children from 28 schools, where almost 58 percent of the students qualify as economically disadvantaged. The grants fund health education classes and other school-based health services. To explore further options for funding school-based social services, the Departments of Social Services, Youth Services, Mental Health and Mental Retardation are developing a plan to earmark one to two percent of their budgets for services in school-based centers.

In addition, the Governor created a School-Linked Services program in 1994 to develop community linkages beyond the school. The program is designed to bring social services and job training programs onto or near school campuses. This program helps

communities form local partnerships of parents, school staff, community agencies, businesses, churches and other local leaders to refocus services and activities around the child and family. Thirteen communities are serving as demonstration sites for this effort.

School Organization and Management

Massachusetts encourages school districts to adopt site-based management policies. In 1988, the Department of Education began the School-Based Improvement Project (SBIP). Since then, the SBIP has trained 95 public school superintendents to lead restructuring and school-based management efforts in their districts. Amendments to the ERA further support the SBIP by giving superintendents the power to hire and fire principals, removing those powers from local school committees (local school boards). School committees now are responsible for policy making only. The legislation also gives principals the authority to hire and fire school personnel, including teachers and assistant principals, after consultation with the superintendent.

Superintendents and principals, however, are more accountable than before for student achievement. Schools and districts that do not help students achieve high standards can be declared 'chronically under performing' and taken over by the state. This policy has not yet been enforced.

To further community involvement in public schools, the ERA also directs school districts to develop school-based councils. School-based councils may include school personnel, parents, students and community leaders. The councils are charged with helping principals and teachers develop school budgets, goals and curricula. School councils have been established at every school in the state.

The ERA also authorizes up to 25 charter schools. Charter schools are governed by small, school-based boards of trustees rather than district-wide school committees. As mentioned, many of the charter school applicants have focused on serving at-risk youth. Charter schools can be established by two or more teachers; 10 or more parents, community members or businesses; museums; higher education institutions or other entities.

Education Financing Reforms

The Education Reform Act (ERA) left few stones unturned. It also requires the state to set a minimum amount that should be spent on each child each year to provide that child with a high quality public education. This amount is called the 'foundation budget.' The state is committed to providing the balance of funds for each community that cannot afford the minimum budget. The foundation budget for 1994-95 was $5,750 per pupil.

Reforming the Post-Basic Education and Training System

In 1994, Massachusetts won a federal school-to-work implementation grant to develop a new post-basic education and training system. The state has a three-fold strategy for implementing a school-to-work system. The standards and assessments mandated in the ERA will serve as the foundation for school-to-work programs; industry groups are being created to organize work-based learning opportunities; and Regional Employment Boards (REBs) will oversee school-to-work programs and ensure that they are coordinated with workforce development needs in the region. Each school district will submit a plan to the Commissioner of Education and the local REB outlining how they will help students make the transition from school to work. Massachusetts also has increased its funding for adult training, coordinating these funds through the MASSJOBS Council.

Restructuring High Schools

The ERA eliminated the general track in high school and created two certificates for students to work toward after receiving the competency determination. According to the legislation, the Certificate of Advanced Mastery (CAM) will be awarded to students who successfully complete at least two Advanced Placement tests or demonstrate excellence in areas not reflected by the state assessment instruments. A Certificate of Occupational Proficiency (COP) will

be awarded to students who successfully complete a comprehensive education and training program in an occupational field. The COP will most likely be awarded at the completion of a school and/or work-based technical training program. Both of these certificates and the criteria for attaining them are under development.

Initial Technical Training Options

As part of its school-to-work initiative, Massachusetts also proposed the development of different career majors or technical and professional pathways for high school students. The link between these pathways and the COP has not yet been determined. The number or type of pathways that will be available to students also is being discussed. Based on information on key industries from the Regional Employment Boards and economic information prepared by Northeastern University's Center for Labor Market Studies, Massachusetts' school-to-work implementation grant highlighted 11 key industries in which to develop skill standards and training programs:

- health care and health services,
- financial services,
- metalworking,
- biotechnology,
- environmental technology,
- instruments and precision manufacturing,
- fiber optics, telecommunications and information technology,
- advanced materials and composites technology,
- travel and tourism,
- marine sciences, and
- business services.

The development of school-to-work programs in these industries will be a critical next step for the state's School-to-Work Committee. Massachusetts, however, will be able to build on some of its existing programs. The state's vocational education system already requires that students participate in work-based learning. There are also tech prep consortia involving secondary schools and post-secondary institutions. There is no state-wide youth apprenticeship system, but there are a limited number of apprenticeship programs across the state. In addition, most high schools offer cooperative education programs.

Higher Education Reforms

In 1991, Governor Weld and Lieutenant Governor Cellucci established the Commission on the Future of the State College and the Community College Systems. The 19-member Commission is charged with reviewing the missions, programs, financing and governance of Massachusetts' nine state and 15 community colleges. In March 1992, they recommended that the state and community colleges adopt mission statements about their role in training the Commonwealth's future workforce. State aid to post-secondary institutions is linked to the institution's success in meeting its mission statement.

A Dual Enrollment Program also is being developed by the Higher Education Coordinating Committee (HECC), a Governor-appointed advisory group. HECC is creating the criteria for allowing public high school students to take college courses for both high school and college credit.

Upgrade Training and Retraining Efforts

Although there is no training trust fund to support the upgrading and retraining of adult workers, the Legislature has shown its commitment to investing in the skills of the current workforce by allocating funds to the MASSJOBS Council to:

- develop new programs to rapidly respond to the training needs of companies that are looking to locate, expand or modernize in the Commonwealth;
- assist small and mid-size manufacturing firms to upgrade their employees' skills;
- develop new work-based learning and apprenticeship programs in critical industries; and

- develop a placement accountability system to track the labor market experiences of workforce development graduates.

The Legislature allocated $4.5 million in 1994 for these programs.

The Department of Employment and Training operates most of the adult training programs in the state. The Department manages two notable adult training programs. The Tactical Training Initiative (TTI) is a program specifically designed to help manufacturing companies with high growth potential upgrade the skills of its workforce. TTI has a $1 million budget and receives funds from federal Job Training Partnership Act (JTPA) programs and the state. Since its inception, TTI has helped 50 companies train 3,500 employees.

In addition, the Department of Employment and Training, the Bay State Skills Corporation and the Industrial Services Program (a separate state agency that administers federal dislocated worker funds) jointly sponsor the Software Council Fellowship Program. This program is designed to help retrain workers who have been laid off in the computer hardware industry for jobs in the software industry. The program offers adult internships which often lead to permanent jobs. The program serves 125 people a year, but is expanding annually.

Developing a Labor Market System

The MASSJOBS Council and Regional Employment Boards have led the effort to build a labor market system in the Bay State. Massachusetts is implementing a state-wide system of one-stop centers offering information on education, employment, and training programs and support services. Massachusetts is considering how to revise the labor market information system to meet the needs of policymakers, employers, and clients of the workforce development system.

State and Local Governance

As the state's Human Resource Investment Council, the MASSJOBS Council coordinates programs under JTPA, Perkins, the Wagner-Peyser Act, the Job Opportunities and Basic Skills Training Program (JOBS), the state sponsored ET/Choices program, federal and state-funded adult basic education programs, state-sponsored technical skills training and education programs operated by the Bay State Skills Corporation, employment-related community-college programs, employment-related secondary education programs, and all other federal and state training, employment, education, and placement programs serving youth, dislocated workers, immigrants and other groups.

The MASSJOBS Council is composed of 31 officials, including 11 members from business and industry, 11 members from organized labor and nine from local government, secondary schools and post-secondary institutions. The Council is chaired by the Lieutenant Governor and co-chaired by a business leader appointed by the Governor.

One of the primary objectives of the Council, according to its work plan, is to transform the state's existing job training and employment-related education efforts from a collection of programs into a well-coordinated, market-based workforce development system. As a first step, the Council took an inventory of the education, employment and training services available to its clients and developed a directory for customers, policy makers and program operators. The Council also has:

- integrated all existing workforce development budgets to show how much is spent, where it is spent and what the funding sources are;
- conducted an employer survey to identify the types of training provided and the major training needs of employers;
- organized a task force to develop a common intake system for education, employment and training programs; and
- begun discussions with various commissioners and Regional Employment Board (REBs) chairs to encourage co-location of workforce development services.

REBs were created in 1988 to develop employment and training education plans reflecting the needs of regional industries and local communities. REBs replaced private industry councils and were given funding authority over JTPA and Employment Services programs. REBs also were allowed to review regional adult education programs but not given any funding power over them. REBs are responsible for submitting a workforce development plan to the MASSJOBS Council every year. These workforce development plans must include a regional plan for school-to-work transition. In addition, local partnerships applying for state school-to-work implementation grant funds must have plans that are linked to their REB's overall workforce development plan.

Delivery System

The MASSJOBS Council is committed to developing a customer-driven delivery system that meets the needs of employers and workers seeking education, employment or training opportunities. Massachusetts was one of only a handful of states that received a federal implementation grant to create a system of one-stop centers. Massachusetts' one-stop centers will offer:

- basic assessment services to clients;
- job search assistance;
- information on local labor markets, career options, education and training program availability and quality, jobs currently available within the region and state wide;
- eligibility requirements and financial aid resources for training programs;
- Unemployment Insurance enrollment;
- veterans' assistance; and
- referral to specialty program providers.

Some one-stop centers may offer enrollment in education, employment or training programs, but this has not been mandated by the state.

At one-stop centers, employers will be able to:

- recruit workers through job matching and a talent bank database;
- access information about sources for financing training; and
- receive rapid responses or special services to help employees secure other employment or retraining during downsizing.

Each one-stop center will be chartered for two to three years and its contract will be renewed based on its performance. Customer satisfaction will be a key indicator of performance.

The MASSJOBS Council has a three-year timeline to implement a state-wide system of one-stop centers in each of its 16 labor market regions. During the first year, four to six REBs will compete for funding to create one-stop centers in their local labor market. Guidelines for developing one-stop centers will be developed by the MASSJOBS Council and the REBs. Each REB will decide how many one-stop centers are needed in each region and where they will be placed. REBs will not be allowed to serve as one-stop centers, but any non-profit, community college, for-profit company or consortia of groups can compete to serve as a one-stop center.

Labor Market Information

The Department of Employment and Training is the lead agency responsible for the state's labor market information systems. Massachusetts has a number of different systems that provide labor market information, career planning information, government job vacancy announcements and information on training and education programs for Unemployment Insurance claimants. There are different systems for different users of the information (students, program administrators, employers and job seekers). It is not yet clear how Massachusetts will restructure its information systems to accommodate the labor market information needs of REBs and customer-driven one-stop centers.

MINNESOTA

State Strategy and Challenges

Minnesota has been restructuring its education system for over a decade. The state defined new graduation requirements, moved toward site-based management of schools and created a notable system of alternative education for youth and adults. Minnesota also has created new technical training options for young people and adults. It has not, however, focused on designing an education and training system with structured pathways for young people not going directly to college, nor has it created a delivery system to make education, employment and training services accessible to all Minnesota citizens. A key issue is that Minnesota lacks a state and local governance structure to coordinate education, employment and training services and programs. The Legislature, however, is expected to consider a bill that would create a Human Resource Investment Council in 1995. In addition to restructuring education and training, such a Council may provide an impetus to create a broader economic development strategy linked to the education and training agenda. Minnesota has focused resources on improving the competitiveness of its economy by providing funds and technical assistance to upgrade technology in companies in the state. The various programmatic initiatives, however, have not yet been integrated into a comprehensive state strategy to build a high skill economy.

Context and Key Events

In 1991, Governor Arne Carlson led the effort to develop a state strategy for addressing the needs of a 21st century economy. The effort aimed to bring together the many education, employment and training reforms already in place in Minnesota. Some of the key reforms already in place at that time include an innovative state system for alternative education, site-based management of schools, economic development programs that supported critical state industries, and a state employer tax to fund training for displaced workers or training for current workers in technologies key to increasing industrial competitiveness. The 1991 Legislature also passed a series of additional reforms: it created a non-profit public corporation to assist companies in the state to adopt new technologies, an Equity Fund to encourage new companies to offer high wage jobs, and a plan to set new graduation requirements.

Governor Carlson's 1991 effort to create a framework for these reforms resulted in *Minnesota Milestones*, a state plan with a vision, goals and milestones designed to measure progress toward the quality of life Minnesota wants for all its citizens. The format was modeled on Oregon's Progress Board and benchmarks. Twenty broad goals, including the creation of a system of advanced education and training, were identified as key to ensuring the quality of life for all Minnesota citizens. In 1992, the Department of Trade and Economic Development created its own plan, *Economic Blueprint*, sketching out seven indicators of an "adaptive, innovative and internationally competitive" economy. These indicators describe the characteristics of the economy Minnesota would like to develop by the year 2000. Neither the *Economic Blueprint* nor *Minnesota Milestone's* benchmarks have been linked to the state's budgeting process.

Since 1991, reform efforts have moved forward. In addition to creating a state youth apprenticeship initiative and assessments for its new high school graduation requirements, Minnesota is now considering the creation of a new governance structure to oversee its education, employment and training system.

Economic Development Policy

Minnesota has several notable state initiatives to build a high skill, high wage economy. These include a program to support key industries, a non-profit private corporation created by the Legislature to support technology in the manufacturing sector, a state fund to support the adoption of new technologies by companies in the state and a new center to offer technical assistance to help companies enhance their productivity.

The Industry Development Program (IDP) was created in 1987 by the Minnesota Department of Trade and Economic Development to support industry sectors important to the state's economic health. The industries currently in the program are wood products, printing and publishing, health care and electronics — each chosen for its potential to provide high wage, high skill jobs. Each industry has a state specialist who serves as a liaison between the industry and state and local government. The specialists also compile information on new research and development and state policies that affect the industry. The programs are individualized to the needs of the particular industries. The IDP health care program, for example, funded a state industry association to help companies respond to technological and policy changes in health care.

In 1991, the Legislature decided a broader effort was needed to promote new technologies in the state's critical manufacturing sector. To address this need, the Minnesota Technology Corporation was created as a non-profit public corporation to assist manufacturing and high technology industries in the state. Its creation represented a shift in state strategy. The Minnesota Technology Corporation is a successor to the Greater Minnesota Corporation which had a broader mission that included research and development and agricultural sector assistance.

The Minnesota Technology Corporation focuses on building the capacity of small and medium-sized manufacturers, supporting the start-up and development of technology-based companies and increasing awareness of the importance of manufacturing and technology-based industries to the competitiveness of the state's industries. The Corporation helps companies use technology to modernize business, develop strategic plans to determine quality and productivity improvements and find resources to implement modern production techniques. It targets manufacturers critical to a local region's economy; it does not identify state-wide manufacturing goals.

The Legislature created an Equity Fund in 1991 with a $7 million allocation of state funds. The Fund is designed to encourage companies to develop new products and to stimulate the establishment of new, technology-based companies. The Fund also supports efforts to educate manufacturers throughout the state about new technologies and new forms of work organization. Minnesota Technology received funding from the Equity Fund to host regional forums each year on such subjects as technology awareness, total quality management and employee empowerment.

Minnesota also received a $12.9 million grant in 1992 from the National Institute of Standards and Technology to create the Upper Midwest Technology Center. This Center provides technology assistance services and workforce development to Minnesota companies to facilitate manufacturing change through productivity enhancements in small and medium-size firms. The Center is working with community colleges to upgrade the skills of workers in these firms and develop courses on new production processes.

Reforming the Basic Education System

Since 1990, Minnesota has been incrementally restructuring its education system to be results-oriented, or geared toward helping students achieve clearly defined learning outcomes. Minnesota has already designed a system of open enrollment options for all students, including choice of schools for all students and a range of alternative programs for students having difficulty working toward a high school diploma. The state has encouraged site-based management of schools and repealed many state requirements that interfere with school-based management. Minnesota's current priorities are to implement new graduation requirements and restructure the state's education financing system. The State Board of Education is now defining new graduation requirements and piloting assessments that measure whether students meet these requirements.

Standards, Assessment and Curriculum Frameworks

The State Education Department began to develop a new set of

graduation requirements and assessments in 1990. The 1993 and 1994 education bills accelerated that effort. These bills required Minnesota school districts to phase in new graduation requirements by 1996. The State Board was also given wider latitude in developing and approving the requirements. These new requirements are scheduled to be fully implemented by the year 2002.

As a first step in defining graduation requirements, Minnesota identified five broad education goals for students in the state. These goals are for students to work toward becoming purposeful thinkers, effective communicators, self-directed learners, productive group participants and responsible citizens.

There are two parts of the new Graduation Requirement: the Basic Requirement and a Required Profile of Learning. The Basic Requirement defines minimum standards for reading, writing, mathematics, science, government, geography and physical health. The state is designing tests in each of these subject areas that all students must pass to graduate from high school. The tests will be traditional. Students will take these tests for the first time in ninth grade but can retake them as many times as needed to pass.

The Required Learning Profile represents certain processes and concepts Minnesota would like all its students to master. The Profile has 10 elements. For example, one element is "comprehending, interpreting and evaluating information received in English through reading, listening and viewing." Students are assessed through a series of performance-based assessments, which include a portfolio of students work. Assessments are scored against a standard, but no minimum score will be set for high school graduation.

The state has been developing assessments for both the Basic Requirement and the Required Profile for Learning. Districts have the option of using assessments developed by the state or developing their own. $10.3 million was allocated to fund the development of these assessments during the 1993-95 biennium. Fourteen districts have been piloting assessments for both the Basic Requirement and the Required Learning Profile in the 1994-95 school year.

In addition to the new high school requirements, students are assessed in grades four, five, six and eight in English language arts, mathematics, writing, social studies and science through Minnesota's state mandated assessment system.

Alternative Education and Second-Chance Systems

Minnesota has several alternative education options for students and adults who have not yet attained a high school diploma. These options include:

- alternative learning centers,
- the high school graduation incentives program for young people at-risk of dropping out of high school,
- the opportunity to transfer to an alternative school setting at any point throughout the school year,
- a program for adults over age 21, allowing them to work toward a high school diploma, and
- a program for pregnant minors and minor parents.

1987 legislation created a system of area learning centers for those who want to finish high school in a setting that meets their individual needs. These centers are open to students aged 12 to 20. Most centers are operated by school districts although some are operated by other public and private organizations. There are 41 centers operating at 175 sites throughout the state. All students at these centers work toward a high school diploma. Centers also offer job training, work experience and counseling. The Legislature appropriated general funds to support the development of area learning centers, but centers themselves are allowed to draw from general education funds until students receive a diploma or turn 21. Students are allowed to attend until age 21 even if they have already received a high school diploma. The state has agreed to fund alternative learning center programs for elementary school students.

The state also offers the Diploma Opportunities for Adults Over Age 21 Program to provide adults with two years of state aid to finish high school diploma requirements. Participants must meet income eligibility criteria. Students can study for a diploma in an area learning center, a public alternative program, a private program, a traditional high school, an adult basic education program or a post-secondary institution.

The High School Graduation Incentives Program allows students not succeeding in the traditional high school or those who have dropped out to enroll in a range of alternative settings to complete their high school education. Students under age 20 can transfer to any high school in the state. They may also enroll full- or part-time in an area learning center (if they are at least 12 years old), a public alternative program, an adult basic education program (if they are at least 16 years old and not attending school), a private alternative school, or any post-secondary school. Students can transfer to these alternative settings at any point during the school year.

Community Services and Supports

Child and family services have been a high priority in Minnesota. The 1993 Legislature created a Children's Cabinet to advise the Governor and a Legislative Commission on Children, Youth and their Families to recommend ways of combining education services with social and health services. The Cabinet recommended the development of a network of Family Resource Centers. These Centers are not required to be based at public schools, but must be linked to them. The Legislature allocated $8.5 million for schools to develop these Centers, offering needed services to students and their families. The funds are administered by the Minnesota Planning Commission, which has developed a core group of services that the locally created Centers must offer. These services include infant contact programs, child health screening and immunization programs and school registration assistance. Minnesota also has a long-standing commitment to early childhood education and funds school programs in every district through its Learning Readiness program. In addition, schools are required to reserve $5 per pupil, per year to support parent involvement programs.

School Organization and Management

Education reform bills from 1990-93 incrementally removed state regulations that prevented effective site-based management of schools. The 1993 and 1994 bills eliminated most state regulations (except for health and safety requirements) as part of an effort to give local schools the flexibility needed to achieve their restructuring goals and implement site-based management. The regulations repealed included specific course credit requirements for graduation.

The 1993 bill also created a School Restructuring Program to encourage site-based decision making. It allows schools whose site-based decision making plans are approved by the state to levy $50 per pupil to operate site councils. Site councils oversee the development of support systems and parent involvement programs at schools. They make decisions about resources allocated for purchasing, personnel and in-services, and make hiring decisions, including the choice of principal. The state will match the per pupil levy. Minnesota also authorized 14 charter schools which are allowed to operate free of most state mandates.

The 1993 Education Bill also significantly increased the percentage of state funds reserved for staff development and included matching grants for districts that create ongoing staff development programs. In addition, the bill created a task force to review teacher training programs. Further, there are financial incentives for districts to extend the school year and funding to reduce student/teacher ratios to 17 to 1. Priority for reduced ratios is given to the youngest students.

Education Financing Reforms

The 1993 and 1994 Education Bills created a task force to restructure the education financing system to create a more equitable system. The law required a new financing system by the year 2000. The task force's proposed plan would divide school services into

three categories: core, support and discretionary services. Core services include all instructional programs and services. School-to-work programs are considered core services. Support services include all health, nutritional and social services that are essential for students' success. Discretionary services include any other programs or services a district chooses to offer. Core services will be funded by 100 percent state funding, support services by a combination of state and local funds, and discretionary services completely by local funds. Once the new Graduation Requirement is fully defined, Minnesota will review how its programs are classified into these categories. In an effort to reduce the amount of funds local districts can raise through local levy referendum, referendums are prohibited until 1997.

Reforming the Post-Basic Education and Training System

Minnesota's education reforms are intended to improve the quality of basic education and to prepare students for further education and training. The state is expanding the technical training options available to students at the high school level and beyond, including the creation of a state youth apprenticeship program. Students also are allowed to enter post-secondary education while still in high school, at state expense. Despite these promising options, however, the state has not yet fully structured these options into a system with clearly defined pathways resulting in skill credentials recognized by industry and higher education.

Restructuring High Schools

Minnesota has not yet focused on a new state design for high schools. The state has made an effort, however, to offer students a range of educational options while still in high school through the Post-Secondary Enrollment Options Program. This program allows juniors and seniors in high school to take full- or part-time courses at a liberal arts, community or technical college, university or non-profit trade school for high school and college credit. The program is intended to provide students with a greater variety of class offerings and the opportunity to pursue more challenging course work. Tuition, fees and required textbooks are funded by the district.

Initial Technical Training Options

Youth apprenticeship and tech prep programs are Minnesota's central strategies for technical training for young people. The 1993 Minnesota Legislature authorized $6 million for youth apprenticeship, service learning and youth entrepreneurship programs. The bulk of the funding is for youth apprenticeship opportunities, which did not previously exist in Minnesota. The youth apprenticeship program is administered by the Department of Education. An Education and Employment Transitions Council was established to set criteria for programs and issue requests for proposals from partnerships of business, labor, secondary and post-secondary education institutions and community-based organizations. Nineteen pilot projects have been funded, some with implementation grants and some with planning grants. The Council also is creating industry committees to set standards for training in the industries with apprenticeships and to develop skill certificates to issue to all youth apprentices who successfully complete their apprenticeships. The youth apprenticeship program is for students who are at least 16.

Minnesota also has 17 tech prep pilot programs. Many of these pilots have a work-based component although work experience is not a requirement for funding. Tech prep is now available at 75 percent of the high schools in the state and the state plans to expand the tech prep provision to cover 100 percent of the high schools.

Upgrade Training and Retraining Efforts

A payroll tax of .01 percent for training displaced workers was mandated by the Legislature in 1990 and raises about $20 million annually. Funding priority is given to training programs that address retraining after plant closings and mass layoffs, or to introduce new technologies.

Minnesota's Department of Jobs and Training also has made special efforts to serve people who want training but do not meet program guidelines. The Work and Training Unit runs a Work Readiness program for individuals who do not meet eligibility requirements, but are below the poverty line. In addition to the receipt of a monthly grant, participants take part in activities designed to prepare them for permanent employment. The program is allocated $3.5 million each year.

The Minnesota Job Skills Partnership Board was created by legislation in 1983 to design and implement training programs that match the skills of workers with the needs of business. The Board's mission is to help meet the skill needs of the business sector and to develop the infrastructure to deliver appropriate training. It is an 11-member board which includes the Commissioners of the Departments of Trade and Economic Development and Jobs and Training, the Chancellor of the Technical College System and eight members appointed by the Governor. The Board has an annual budget of $1 million and awards grants of up to $200,000 to partnerships between firms and technical or community colleges involved in training efforts. The Board's specific focus is to support programs in expanding occupational areas.

Minnesota also has made a concerted effort to raise the literacy skills of its citizens. It has consolidated different state funding mechanisms for adult literacy into one formula and allows school districts to levy up to .12 percent of property value to support adult literacy programs. The state provides additional funds to equalize the levied amount. Many of the programs funded are for workplace literacy.

Developing a Labor Market System

Although Minnesota does not yet have a governance structure to oversee education, employment and training policy in the state, there is a proposal pending to create a Human Resource Investment Council before the Legislature. Minnesota has been working to build a local delivery system for employment and training services but, thus far, these services have been limited to people on public assistance. In addition, there have been some efforts to improve the coordination of labor market information, although there are no current plans to add to the information currently collected.

State and Local Governance

A Job Training Partnership Act (JTPA) Council currently coordinates state education and training policy. A sub-committee was formed to discuss the creation of a Human Resource Investment Council (HRIC) with jurisdiction over all federal programs. Legislation to create an HRIC was introduced in 1994. The bill passed the Senate, but there was not enough time in the session for a vote in the House. It is expected to be reintroduced in 1995 and is likely to pass.

The state already has a Council on Education and Employment Transitions which includes many of the partners who would be included in an HRIC. The Council was created to oversee the new youth apprenticeship programs. This Council does not, however, have financial or administrative authority over programs. Minnesota does not have a regional governance structure to oversee education, employment and training in local areas, although a proposal to create local workforce development councils is pending.

Delivery System

There have been state-wide efforts to deliver employment services and training in a more integrated fashion. Minnesota is developing a network of Family Resource Centers to enhance the coordinated and efficient provision of an integrated array of services to low-income individuals. Some employment services are included.

While these Centers primarily target economically disadvantaged citizens, Minnesota is taking steps to coordinate service delivery for a broader range of Minnesotans. The Department of Jobs and Training is developing a plan to coordinate programming and service delivery among private industry councils, Job Services and the Unemployment Insurance system. The Department's plan is to

develop a state-wide system of one-stop delivery of all employment and training services. Although there is now some co-location of these services throughout the state, these services are generally delivered through different offices. The proposed local workforce development councils would oversee local one-stop delivery of employment and training services. The oversight of these local councils would, at least initially, be limited to JTPA, Job Services and Unemployment Insurance programs.

Labor Market Information

Certain types of labor market information are available through Job Services offices as well as local libraries and high schools. There are no counseling services in Job Services offices. Information is packaged for different clients, including first time job seekers and dislocated workers. The largest computerized database is the Minnesota Career Information System which offers occupational descriptions, expected salary levels for jobs, requirements for jobs, training opportunities, occupational projections and an inventory of employers. It does not include job listings nor are its other listings comprehensive. Job listings and matching services are offered through a separate database called ReSearch. Minnesota also has a separate computerized inventory of adult basic education programs called the Adult Client Coordinated Educational Services System. It is used at 25 sites in Minnesota.

Minnesota is working to improve its Job Services system. This year, the state moved to a universal registration form for applicants allowing access to job opportunities in any region across the state. A year-long restructuring process has been underway to improve the quality of employment services. A central aim of this restructuring effort is to expand the pool of employers using the system. The state has held focus groups with employers to get ideas about how to improve the system. At the moment, the state plans to:

- develop a skills inventory for jobs listed and for applicants, rather than identifying jobs by occupational titles;
- restructure the management system at Job Services to serve employers better by assigning a staff person to each business as a case manager for all referrals; and
- automate systems for storing and reviewing resumes of applicants.

These recommendations are being implemented on a pilot basis during the 1994-95 calendar year. The state is exploring ways of making the system operate on 'real-time' information, rather than information that is one to two years old.

NEW YORK

State Strategy and Challenges

New York is restructuring many components of its education, employment and training system. Its broad plan for restructuring education includes new education standards, a new assessment system, new organization and management practices in schools, and a new system of technical and professional training pathways for young people not going directly to college. New York also has invested in programs to increase the competitiveness of state industries by supporting employer and supplier networks, training workers in total quality management, and funding joint research projects to make their industries more competitive. In addition, the state has supported efforts to make employment and training information and services more accessible. New York is also taking steps to integrate these reforms into a comprehensive state strategy to invest in people. The state has not yet created state and regional governance structures to oversee education, employment and training. It has, however, taken important first steps by establishing an umbrella council to oversee the work of the various job training councils in the state and a state-level interagency council to oversee the development of a school-to-work system.

Context and Key Events

With the goal of making New York the 'quality' state, Governor Mario Cuomo created several state programs to increase the competitiveness of state industries in the late 1980s. By 1991, New York began to broaden its human resources investment reform efforts, with a comprehensive education reform plan and initiatives to restructure the employment and training system.

The 1991 *New Compact for Learning* outlined New York's education reform agenda, focusing on developing new standards and curriculum frameworks for students and reorganizing the management and organization of the school system. In 1992, the Governor created the Task Force on Creating Career Pathways for New York State's Youth to make recommendations for preparing students for the workforce. Preparing students for the workforce is now a central part of the education reform agenda. Between 1992-1994, New York operated 37 Workforce Preparation Pilots to identify the key elements in developing a school-to-work transition system in the state. New York was awarded the largest federal school-to-work grant award in the nation to build a comprehensive education and training system for all young people.

Governor Cuomo also began to restructure employment and training services throughout the state. In 1991, he created a State Human Investment Subcabinet to recommend ways to streamline New York's employment and training system. The Cabinet established the Gaining Access to the Emerging Workforce for Adults and Youth (GATEWAY) initiative which provides state support to local communities to reorganize their delivery systems for employment and training services. The Cabinet did not recommend the creation of a regional or local governance structure for employment and training services, preferring to let localities create their own systems. New York has, however, begun to move toward greater state-wide coordination. In 1993, the Governor appointed an umbrella council to develop more unified state policies for education, employment and training. And in 1994, New York joined the National Center on Education and the Economy's High Skills State Consortium to further develop a comprehensive state human resources investment system.

Economic Development Policy

In the last decade, New York has supported the manufacturing sector through its pioneering work developing manufacturing networks to train workers and solve common industry problems. It also has created programs to coordinate the technical assistance and funding available to manufacturers.

The Department of Economic Development administers most state programs to provide technical assistance to New York's industries. In 1991, the state initiated the Empire State Manufacturing Service, a management information system to coordinate all the assistance

available across agencies for strategic manufacturing industries. The Manufacturing Service creates partnerships between government and strategic industries, channels private sector input into state policy and program formulation, makes more efficient use of economic development resources and supports the development of regional manufacturing networks. Some key programs it coordinates are the Industrial Effectiveness Program, the Strategic Industries Group Services Program and the Industrial Extension Service.

The Industrial Effectiveness Program, created in 1987, provides technical, financial and educational assistance to manufacturing firms and industry groups. It offers grants for productivity assessments, corporate restructuring, and feasibility studies for creating employee-owned companies. The state has invested over $13 million in this program since 1987. The Strategic Industries Group Services Program began in 1991. It supports collaboration among groups of firms to increase their industry's competitiveness. Its projects include workforce development and training initiatives, total quality management training, supplier networks and efforts to restructure the workplace. The Group Services Program requires matching funds from firms. The Industrial Technology Extension Service was established in 1990 to help smaller manufacturers identify and implement technology and productivity improvements. Program staff provide direct technical assistance and identify state programs and funds to help these firms implement improvements.

The Governor also created the Excelsior Award in 1991 to recognize high quality performance in the public and private sectors. There is a specific award for the education sector. Award recipients must demonstrate a commitment to quality products and services, a quality workforce, and cooperative labor-management relations. The Award is modeled after the Baldrige Award.

Reforming the Basic Education System

The Board of Regents, an elected board that sets state education policy, adopted *A New Compact for Learning* in 1991 and targeted the year 2000 for full implementation of its recommendations. The *New Compact* sketches out a comprehensive plan for:

- creating new content and performance standards,
- developing a new assessment system,
- implementing shared decision making at the school site, and
- increasing linkages with social service providers and the community.

Due to limited funding, the provisions of the *New Compact* have been implemented only incrementally since 1991. The State Education Department also has been reorganized to reflect the agenda laid out in the *New Compact for Learning* and has designed Progress Indicators to measure progress toward implementing the goals of the *New Compact* in 1995, 1997 and 2000.

Standards, Assessment and Curriculum Frameworks

After the *New Compact* was adopted, the Board of Regents created a Curriculum and Assessment Council to develop new academic standards, new curriculum frameworks and new assessment measures. Curriculum and assessment committees in seven subject areas, including an occupational and technical skills committee, were formed. The Council submitted an interim report to the Board of Regents in November 1992. The standards and curriculum frameworks in mathematics, science and technology, and English language arts were published in 1994. The arts and humanities, social studies, and occupational and technical studies standards and curriculum frameworks will be published in 1995. The last two frameworks — languages other than English and health, physical education and home economics — will follow in 1996. The interim report of the Curriculum and Assessment Council also recommended that all students work toward earning one diploma rather than the current system which offers two diplomas, a general and a Regents diploma. The Regents diploma is most often pursued by students who plan to go directly to college. The state will move forward on this recommendation.

The Curriculum and Assessment Council is developing a new assessment system to measure students' progress toward meeting the new standards set by the Council committees. The new assessment system is scheduled to be fully implemented in the 1998-99 school year. The *New Compact* recommended that the state include assessment of problem-solving skills, portfolios of student work and teacher evaluations in the new system. New assessments in mathematics and reading were piloted in the spring of 1994. New York joined New Standards in 1991.

In 1992, the Governor established the Task Force on Creating Career Pathways for New York State's Youth to examine ways to restructure schools to better prepare students for the workforce. The Task Force recommended that the state set a benchmark for what students should know and be able to do at different levels of their education. The Task Force proposed that students earn Career Pathways Certificate at or about the 10th grade and offer, among other options, Professional and Technical Certificates to students after they have achieved the Career Pathways Certificate. The Career Pathways Certificate would certify mastery of basic academic and applied learning skills. The Professional and Technical Certificates would show mastery of technical skills, preparing students for advanced technical training programs or the workforce. Under the Task Force plan, students would still obtain a high school diploma, but one requiring more rigorous academic requirements and a structured workplace experience.

The Regents did not adopt these recommendations, preferring to first pilot different options for restructuring high schools. In 1994, they funded a Workforce Preparation Program for 37 schools that includes a pilot Assessment of Initial Mastery (AIM), modeled on the proposed Career Pathways Certificate. The AIM will assess literacy and numeracy as well as applied learning skills, called Essential Skills and Dispositions. These skills include:

- managing resources,
- managing information,
- developing personal competence,
- developing interpersonal and citizenship competencies,
- working with systems and technology,
- developing entrepreneurial skills, and
- thinking, solving problems and creating.

The Regents recommended that the AIM be part of a high school graduation portfolio which also will include: an individual action plan, demonstration of academic skills and knowledge, an individual project, a group project and an internship or work-based experience. There is no timeline yet for broader development of the AIM.

Alternative Education and Second-Chance Systems

There is no state system for alternative education in New York. Each school district creates its own programs. There are a range of state programs in New York for out-of-school youth and youth at-risk of dropping out. The Department of Labor administers the majority of these programs and most are limited to economically disadvantaged youth under age 21. The Education Department, the state and city university systems, the Governor's School and Business Alliance, and many other local agencies provide alternative learning programs as well.

Community Services and Supports

New York has strongly encouraged collaboration among social service providers and the schools. The New York State Community Schools Initiative began in 1988. It aims to improve student academic outcomes by providing educational, health, nutritional and other support services or referrals to students and their families at the school. Schools receive grants of up to $200,000 for five years to develop school plans to link their schools to community resources. Forty-one schools were funded in 1994-95.

The Department of Health also has been funding school-based health center pilots. In 1994, there were 140 school-based health centers in communities where there is a high poverty rate. In addition, the Board of Regents recently adopted a policy to

encourage parent involvement in schools. The state may develop a grant program to encourage schools to initiate parent involvement programs.

School Organization and Management

As of February 1994, state regulations require shared decision making programs in all schools. Schools must create comprehensive plans to guide school operations and restructuring efforts. They also are encouraged to create new forms of school organization like block scheduling or new staffing patterns to achieve the goals in their plan. The *New Compact* commits the state to waive regulations that prevent educators from helping students reach state education goals.

The *New Compact* spelled out a system of rewards for success and remedies for failures for the state's school districts. Poor performing schools are required to develop an improvement plan and work with the Education Department to implement the plan. The Board of Regents has the authority to appoint a special deputy to supervise corrective action at the school, impose a state corrective action plan or temporarily close a school and reassign its students. Schools that have done exceptionally well implementing the *New Compact* programs are named New Compact Schools. The state highlights their efforts and asks teachers from these schools to advise other schools about restructuring. There were 15 New Compact Schools in the 1993-94 school year.

The state also has implemented a School Quality Review Initiative. Different groups of teachers, supervisors and parents form School Quality Review Teams and visit schools as critical friends to offer advice. Their reviews are confidential.

Education Financing Reforms

An Equity Study Group was formed in 1992 to recommend changes to the state's system of school financing. The group has developed a definition of equity and studied the relationship between financial profiles of school districts and student achievement. The group submitted its report to the Board of Regents in 1993. A number of the Equity Study recommendations were included in the Regents State Aid Proposal for school districts for 1995-96, including recommendations to link funding to learning results, allow districts to consolidate funding streams, give additional resources to schools with more demanding student needs and continue aid to these schools once they begin to improve.

Reforming the Post-Basic Education and Training System

New York received a $10 million federal school-to-work implementation grant to build a comprehensive system for the transition from school to work. The state will build a system that offers all young people:

- a foundation of workplace readiness skills,
- work-based learning opportunities leading to industry-recognized skill certificates,
- structured pathways from high school to post-secondary training, and
- improved career information and guidance to help young people navigate the system.

New York plans to identify a set of career majors for 11th- and 12th-grade students and restructure post-high school education and training programs to correspond with these career majors. The state also has increased funding for adult upgrade training and to build the capacity of the state higher education system to deliver training in total quality management and high performance work practices.

Restructuring High Schools

New York is eliminating the general curriculum, giving students an option of academic or technical preparatory pathways. Regardless of which pathway they choose, students will be expected to meet the same set of education standards to graduate from high school. As part of the new school-to-work initiative, New York also plans to develop career majors for 11th- and 12th-grade students. These

majors have not been defined yet, nor has it been decided whether they will be for all students, or just those in school-to-work programs.

This work to restructure New York's high schools builds upon the recommendations of the Career Pathways Task Force. In addition to the creation of the new certificates, the Task Force report advocated eliminating the general track of study in high school, integrating career information into the curriculum from kindergarten on, redesigning the final two years of high school to focus on students' career interests and providing a work-based learning opportunity for every student.

Initial Technical Training Options

As part of New York's effort to build a school-to-work system, the state is expanding initial technical training options for young people including youth apprenticeship, tech prep and other work-based learning programs.

New York does not have a state-wide youth apprenticeship initiative. The Education Department, the Department of Labor and the Apprenticeship and Training Council, however, are developing a School-to-Work Apprenticeship policy for the state. Cornell University administers a youth apprenticeship pilot in Broome County, which is considered a model for the state and is slated for expansion.

Tech prep is a state-wide effort in New York. There are 30 existing tech prep consortia and planning grants were distributed to 15 new school districts in 1994-95. The new grants encourage programs to allow adult participation and to incorporate work-based learning, although the state does not require either.

New York also is supporting other model state and local work-based learning programs. The state has funded 37 Workplace Preparation Pilots since 1992. In addition, the city of Rochester has a major school-to-work initiative. Under the leadership of the Rochester Business Education Alliance (RBEA), the partners operate several youth apprenticeship programs and offer career awareness programs and youth advocates. The city school district received a local school-to-work implementation grant from the U.S. Department of Labor to support these efforts.

Higher Education Reforms

The State University system of New York (SUNY) created a Task Force on College Entry Knowledge and Skills in response to *The New Compact* initiative to set new standards for K-12 education. The Task Force recommended that the state higher education institutions use the performance-based assessments being implemented in the K-12 system in addition to traditional tests as admissions criteria for students. The Task Force also defined what students should know and be able to do to be successful in their freshman year. SUNY has shared this information with the public but, as yet, does not plan to require that students applying for admission demonstrate that they meet the standards defined by the Task Force.

Upgrade Training and Retraining Efforts

While there is no state training fund for incumbent workers, funds for incumbent and dislocated workers are available through the Economic Development Department's Skills Training Program. The state allocates $5.5 million to retrain workers to:

- improve productivity,
- adapt to new production processes, equipment, or technology,
- upgrade skills, and
- prepare them for new employment opportunities.

The program gives special consideration to projects that encourage businesses to remain competitive by adopting new technologies, total quality management and productivity improvement measures.

New York also is building an educational infrastructure to train workers in skills they will need in workplaces of the future. The

Department of Economic Development (DED) formed the Strategic Training Partnership with the state university system to develop curriculum and train faculty to teach courses that support total quality management. The Partnership develops and markets special industrial modernization products, launches company-focused education programs and creates regional training provider networks. A similar partnership was launched between DED and the City University of New York in 1993.

Developing a Labor Market System

New York has an umbrella council to coordinate policy among the state's employment and training programs, but no unified state or regional governance structure. The state supports efforts to create more integrated local delivery systems for employment and training services and labor market information.

State and Local Governance

In 1993, New York created a new council bringing together representatives of the state's federally mandated advisory councils and the state university system. The Human Resource Council includes members of the:

- Job Training Partnership Act (JTPA) Council,
- Council on Vocational Education,
- Employment and Unemployment Insurance Advisory Council,
- Apprenticeship Training Council,
- New York State Literacy Council,
- New York State Occupational Information Coordinating Committee, and
- State University of New York.

In 1991, the Governor created a State Human Investment Subcabinet to streamline and simplify the state's job training programs and service delivery system. The Subcabinet includes the lead agencies involved in workforce development. Its major initiative has been Gaining Access to the Emerging Workforce for Adults and Youth (GATEWAY).

Delivery System

GATEWAY's goal is to reorganize workforce preparation programs into a comprehensive network accessible to all customers, including job seekers and business. Local planning groups work to design their own new delivery systems. The state Human Investment Subcabinet created five committees to provide assistance to the local groups. These committees focus on: simplifying planning and funding policies, implementing new information technologies to computerize access to information, staff development, service integration and co-location of employment and training services, and marketing of services to clients. There is no governance structure for GATEWAY. It is being piloted in 21 counties. The future of GATEWAY is uncertain, although local GATEWAY programs are interested in continuing the programs even if funding is eliminated.

New York also has merged employment and unemployment services into a single system. The Community Service Centers were created in 1988 by combining federal Unemployment Insurance and Wagner-Peyser Job Service funds. The Centers provide job listings as well as other types of assistance, such as resume workshops. New Yorkers apply for unemployment insurance through these Centers. Some of the Community Service Centers participate in GATEWAY.

New York also has a state-wide system to deliver services to disadvantaged adults, including those on public assistance and the elderly. This program is called ACCESS and offers job skill assessment, counseling, GED classes, child care and occupational education through ACCESS centers.

Labor Market Information

Labor market information in New York is provided to customers through the State Occupational Information Coordinating Council (SOICC) system, housed in the Department of Labor. It includes job listings, information on careers and occupations, and lists of training providers. New York plans to expand information on training providers to include information on placement rates and customer satisfaction. The state had hoped to use funds from a

federal one-stop planning grant for this effort, but did not receive a grant in 1994. New York plans to reapply in 1995. While the primary delivery sites for labor market information are the Community Service Centers, New York also has been offering access through other sites in the state. It has set up kiosks in shopping malls, the Department of Motor Vehicles, libraries and other public locations throughout the state. The kiosks provide all the information available on the SOICC system as well as a self-directed job search program, access to Civil Service exams and information about employment and training programs. The state also implemented 'Extended Access Services to Employers' which allows employers to enter job listings through their personal computers.

OREGON

State Strategy and Challenges

Oregon has developed a comprehensive approach to human resource investment. Its 1991 education legislation mandated new certificates for students based on new educational standards and a new assessment system. This legislation also included restructuring of early childhood and middle school education and reforms of school organization and management. The state is now designing a system of technical and professional education and training pathways for young people. It has created a new state and regional governing structure designed to coordinate both youth and adult training and oversee a new delivery system for employment and training services and an improved labor market information system. Finally, Oregon's legislation created programs to invest state resources in competitive state industries. Oregon is now working to implement and coordinate the wide-ranging reforms legislated over the past few years, while grappling with limited state funds.

Context and Key Events

Oregon's 1989 state strategic plan, *Oregon Shines*, set forth Oregon's goal to have "the best educated and trained workforce in the nation by 2000 and equal to any in the world by 2010." In the plan, commissioned by former Governor Neil Goldschmidt, investing in the skills of the workforce and creating high performance industries that use highly skilled workers are key to creating an advanced economy that provides 'family-wage' jobs — high paying jobs that can support Oregon's families. This link between high skills and competitiveness was made after the dramatic decline of Oregon's industries, particularly the timber industry, in the early 1980s. The low skill, low wage service sector jobs that replaced high wage industry jobs accelerated the decline of per capita income in the state and forced a reexamination of state economic development policy.

By 1989, the Legislature began to develop a comprehensive, long-term plan for recovery. It created the Oregon Progress Board (OPB), a state-wide planning board chaired by the Governor and charged with developing indicators to monitor progress toward the workforce and quality of life goals established in *Oregon Shines*. The OPB identified benchmarks to measure progress in three areas: exceptional people, livable communities and a robust economy. These benchmarks are now tied to the state's budgeting process. The Legislature passed bills tying workforce training to economic development initiatives, allowing school districts to waive requirements that interfered with reform plans, and targeting economic development efforts at specific industries key to the state's competitiveness, including the funding of training for groups of firms in an industry.

In 1991, the Legislature took even bolder steps. It passed two comprehensive acts. The first act mandated a comprehensive restructuring of Oregon's education system to focus on preparing students for work and further education. The second act required the creation of a state Workforce Quality Council and regional committees to improve the quality and coordination of post-secondary education and training and promote a private sector strategy to bring business and labor into the governance of the training system. In addition, the Legislature began to define an economic development strategy to create the high skills economy that would keep Oregon competitive and offer jobs to a highly skilled workforce.

Today, Oregon is well on its way toward implementing all of the policy goals defined in a decade of new education and workforce development legislation. In 1993, it joined the National Center's High Skills State Consortium, a group of leading edge states committed to building a world-class system for human resources investment.

Economic Development Policy

The Economic Development Department (EDD) has been the driving force behind efforts to create high performance industries. The centerpiece of Oregon's strategy is the Key Industries

Development Program passed by the Legislature in 1991. It aims to strengthen high performance industries key to Oregon's economy. The first part of this initiative, Key Industries Training, was created in 1989 and provides groups of firms in an industry funds for joint training activities.

The 1991 Key Industries Development Program broadened this effort significantly. It directed EDD to support the formation of industry associations in the 13 key industries identified by *Oregon Shines* as crucial to Oregon's international competitiveness. The industries were chosen based on their size, growth rate and expected importance in a global economy. The legislation mandated additional efforts including:

- support for alliances of companies to develop new products and markets,
- start-up grants for new industry learning networks to solve problems common to their industries and learn from each other's practices, and
- grants for new industry associations to organize groups that can represent and organize the industries state wide.

EDD also formed a team of Flexible Network Brokers, industry professionals who provide technical assistance to the industry networks or other groups of businesses to help create European-style flexible manufacturing networks.

The 1991 legislation contained other provisions to promote high performance industries as well. All the key industry associations were directed to benchmark goals for the long-range development of their industries. Key Industry summits have been held to help the industries through the benchmarking process. One outcome of these benchmarking summits has been agreement across industries about the priority of training. EDD held a summit for the Key Industries and education groups in January 1994 to discuss how industry and education could work together to meet industries' training needs. In the future, these associations are expected to identify skill standards for employment in their respective industries. These standards will be used by Oregon's educational institutions to develop curriculum and training programs, and by employers to hire, train and retrain employees.

The Key Industries legislation also directed EDD to create a state council to support high performance work organization and create a state quality award. Before embarking on these tasks, EDD conducted a study of employer work and training practices (*Oregon Works*). EDD found that few employers formally upgraded worker skills and fewer were organized around high performance practices. With this background, EDD created the Oregon Quality Initiative (OQI), a business membership organization dedicated to providing Oregon businesses with the training and technical assistance needed to move toward high performance work organization.

In its first phase, OQI is offering technical assistance and training along with written materials and resources to individual employers. It is organizing quality networks for groups of firms to enable them to work together to restructure their workplaces. OQI is developing a Quality Award modeled on the Baldrige Award. It will create standards for the award that many companies can meet rather than selecting single award recipients each year. OQI will phase in the state award starting with the manufacturing sector in 1995 and adding the service and public sectors in 1997 and 1999.

The 1993 Legislature linked EDD's other central initiative, the Regional Strategies program, to the Key Industries strategy. The Legislature directed the 13 different regional economic development committees organized by the Regional Strategies program to identify two or three key industries in their region and develop 10-year plans to increase the competitiveness of these industries. Thus, Oregon is developing the state economy by focusing resources on key industries both across the state and within specific regions.

Reforming the Basic Education System

The 1991 Oregon Educational Act for the 21st Century created a framework for restructuring Oregon's education system driven by new academic and work readiness standards. The 1991 Act included provisions for creating a new assessment system, improved curriculum, stronger site-based management structures and expanded early childhood education. During the 1991-93 biennium, 10 task forces were created to make recommendations for implementing the provisions of the bill. Pilots also were funded. In the 1993-95 biennium, staff development and the continued funding of pilot programs are the mechanisms for implementing the task forces' recommendations. In addition, there is an effort to educate parents and community members about the education reform plan. The Department of Education (DOE) granted $7 million for these activities during the 1993-95 biennium. DOE also created a Professional Development Center to provide training, technical assistance and services to those schools engaged in reform.

Standards, Assessment and Curriculum Frameworks

The 1991 education bill mandated the creation of a Certificate of Initial Mastery (CIM) to be offered to all students by the 1996-97 school year and a Certificate of Advanced Mastery (CAM) to be offered to all students by the 1998-99 school year. The CIM will be awarded to students who demonstrate that they have met standards representing a high level of basic academic and applied learning skills. Most students will meet the standards at about the 10th grade. The CIM will include a range of different types of assessments. Once a student meets CIM standards, he or she will work toward the CAM. Oregon is developing the CAM in six different career clusters, each qualifying students for college, further professional and technical education or entrance to the workforce. Students need a CIM to graduate from high school.

Outcomes defining what students need to know and be able to do to be awarded both certificates were adopted by the State Board of Education in 1994. The outcomes were reviewed by parent groups and state business organizations throughout Oregon. Task forces were organized for each CAM area and include more private sector representation than the initial task force. The printing industry has progressed the farthest and already has a certification system for students in Clackamas County. Oregon considers this partnership a model for developing skills training and certification.

The 1991 bill also directed DOE to create a new assessment system to measure whether students meet the new standards. DOE is developing performance-based assessments for grades three, five, eight and 10 and has a program for piloting the assessments in select schools. DOE will continue to administer a separate state-wide assessment to compare the test results of different schools. Oregon joined New Standards to help develop its new assessment system.

Ten CIM and CAM pilot sites are now developing new curricula for meeting the outcomes adopted by the State Board of Education. Pilot schools offering CIMs and CAMs will be allowed to waive traditional graduation requirements. Additional task forces have met to make recommendations for improving learning in the lower grades, integrating discipline areas, creating applied learning curriculum and creating non-graded and multi-age groupings in elementary school. DOE also plans to institute a comprehensive career development program for basic education to provide students with the knowledge and decision making skills they need to become lifelong learners.

Alternative Education and Second-Chance Systems

The 1991 education reform bill mandated a state-wide system of Learning Centers for students for whom the regular school system is not working. These Centers will help students achieve the CIM, and the legislation specifies that the Centers should serve students up to age 21. The task force created to establish these Centers concluded that a Learning Center "... can be a concept, a facility or both." Criteria for the Centers are being defined now, but many existing alternative programs are expected to fit the criteria. The education reform bill also requires schools to provide any additional services

students need to reach new education standards. If students fail to meet standards after a year of additional services, they are given the option of attending school in an alternate school district.

Community Services and Supports

The 1991 education act required the state to coordinate social, health and community services for children "... to assure that each child has an equal opportunity to reach high standards of learning and development." A DOE task force was formed to develop recommendations for the integration of social and educational services. As part of this effort, the Department of Human Resources (DHR) began a Service Integration Project in 1991. The Service Integration Project is designed to test different models of social service delivery at or near the school site. Eight projects received matching and in-kind grants from DHR in 1991, and there are now 40 projects. These projects are called Family Resource Centers, and most are linked to schools. The services offered at each Center vary.

The state also has been attempting to restructure the state-wide system of planning and delivering child and family services. The 1989 Legislature established the Oregon Community Children and Youth Services Commission (OCCYSC) and charged it with coordinating a system of services for children from birth to age 18, including prenatal care. Programs from various departments were transferred to the Commission's jurisdiction and youth services commissions were created in each county. The guiding principle of the Commission was to devolve responsibility for the services to the county level. To further consolidate services, Children's Care Team legislation replaced the OCCYSC with a new Commission on Children and Families (CCF) in 1993. The CCF includes the Superintendent of Public Instruction who had not been a member of OCCYSC. The counties are expected to stress the development of one-stop access to social services in their new system designs. No county has yet reached the implementation stage.

In 1993, Oregon made readiness to learn a priority. Legislation funding early childhood education and pre-school programs passed and Oregon expects to offer pre-kindergarten programs to all children by 1998 if funding is available.

School Organization and Management

The 1991 legislation reaffirms a commitment to site-based decision making spelled out in earlier education bills. The 1991 bill called for the creation of site councils composed of teachers, classified district employees, administrators, parents and others to help implement the reforms at each school. The decision making authority includes the oversight of professional development, improvement of the school instructional program and development and coordination of reform at the school site. Every school district in the state had at least one school council by the end of 1994, and by September 1995, every school is required to have formed a council.

The new legislation also calls for reduced class size, an extended school day and an extended school year, although staff cutbacks make it unlikely that all of these provisions will be implemented on schedule. Many restrictions on scheduling were already removed by previous legislation. A yearly state-wide education report card comparing outcomes with the goals set by the Oregon Progress Board and bi-yearly self-evaluations conducted by schools is required by the 1991 education bill. Yearly education report cards have been issued since 1992.

Education Financing Reforms

The 1993 Legislature reached a compromise on education financing that reduces the amount of property tax funding supporting public schools. The measure was the direct result of budget shortfalls due to a property tax cap passed in 1990. The cap meant that many districts were unable to fully fund their school systems with local property taxes. In response, the state decided to fund the entire K-14 system from the general revenue fund although districts are still allowed to fund additional services through property tax resources. This move to state funding ensures more equity in funding among districts, but also has meant that the state must raise additional

revenue to support education. A referendum on a sales tax to support education was put to voters in the fall of 1993 but did not pass. The state needs to generate additional revenue in 1995 to keep education reforms on schedule.

Reforming the Post-Basic Education and Training System

Oregon is reforming the education system so that it better serves all students, those bound directly for higher education as well as those entering technical training or employment. The state is restructuring its high schools around six occupational career clusters leading to a 12th grade Certificate of Advanced Mastery (CAM). All students will work toward the CAM, and all CAM programs will involve work-based learning. In addition, Oregon is working to expand and better coordinate training for adults. Responsibility for coordinating and overseeing both the school-to-work system and adult training has been assigned to the new regional workforce quality committees (see the Developing a Labor Market System section).

Restructuring High Schools

After 10th grade, students will have a choice of six pathways leading to a CAM. The pathways are in different occupational clusters: arts and communications, business and management, health sciences, human resources, industrial and engineering systems, and natural resource systems. Each CAM cluster will offer 'endorsements' for both higher education and further technical training. The curriculum of each cluster will allow students the flexibility to shift specialties and to focus on academic and technical aspects of the cluster. Oregon also is committed to offering a work-based learning experience to every high school student as part of the CAM programs, and is working to develop these opportunities throughout the state. In addition, some CAM programs will be linked directly to a community college program and lead to an associate's degree. The state is now piloting CAM programs and plans to offer them to all students by the 1998-99 school year.

Initial Technical Training Options

Oregon is expanding and restructuring technical training options around the new CAM system. Youth apprenticeship and tech prep will become part of the CAM system. The state youth apprenticeship initiative began in 1991 and offers apprenticeships to students after they complete the CIM. Until the CIM is fully implemented, youth apprenticeships are offered to students at least age 16 and enrolled in high school. Apprentices split their time between the classroom and the workplace. 1993 legislation expanded the initiative to fields not within the registered apprenticeship system and required apprentices to complete associate's degrees while training. The 1993 effort to expand the initiative was partially a response to the small numbers of students enrolling during 1991-93 and the need to expand its employer recruitment effort. Finding work placements is a continuing challenge for Oregon, because much of the state is rural. As an incentive to upgrade workforce skills, participating employers will be offered $2,500 tuition vouchers to train employees.

Oregon also is working to expand its tech prep initiative. Students in tech prep in Oregon will work toward a CAM and then an associate's degree as part of their 2+2 program. Two-thirds of the high schools in Oregon now have tech prep programs. Tech prep programs in Oregon are required to have a work-based learning component.

Higher Education Reforms

While a high school diploma is currently a prerequisite for college admission, the significance of the CIM in the college admissions process has not yet been decided. The Board of Higher Education has created a committee to discuss the relationship between the new high school leaving requirements and admission to higher education. The Board is currently defining performance-based entry standards for higher education. The recommended standards will be given to the State Board of Education to assist with the development of the CIM. The committee also is considering a range of early enrollment options.

A community college system task force was formed to consider how to work with the basic education system to develop alternative CIM

learning sites, and how to develop local partnerships between secondary and post-secondary schools to deliver the CAM. The task force is focusing on:

- expanding tech prep associate's degree programs,
- developing bridge or transition programs for under-prepared adults to assure success in new, more demanding associate's degree programs once the CIM is fully implemented, and
- creating faculty development centers to involve faculty in restructuring the new associate's degree programs.

Upgrade Training and Retraining Efforts

1991 Workforce 2000 legislation funded a network of skill centers at community colleges. The centers were intended to expand opportunities for adults to learn basic academic and workplace skills and prepare them for higher level technical training. The state plans to offer the CIM through these skill centers. The community colleges also have begun to revamp curriculum of all technical training programs (many funded through the Job Training Partnership Act). These new curricula will be in a Workplace Basic Competencies curriculum format, based on the Secretary's Commission on Achieving Necessary Skills (SCANS) essential work skills framework.

Oregon offers two major training funds for the incumbent workforce: Targeted Training and Key Industries Training. Training is typically delivered through the community college system. In 1989, Oregon created a network of Advanced Technology Centers at five community colleges to offer training in new technologies to employers seeking to retrain their employees. The network since has been expanded to all 12 colleges. The Partnerships for Quality is a joint effort of the 12 community colleges in the Oregon Advanced Technology Consortium, the Economic Development Department and the Oregon Quality Initiative. It was formed to enhance the capacity of Oregon's community colleges by developing a total quality curriculum and a cadre of skilled instructors to deliver the curriculum.

Developing a Labor Market System

The Workforce Quality Council and regional committees were created to coordinate Oregon's employment and training programs and services at the state and regional level. Regional councils have been charged with developing one-stop delivery systems for education, employment and training services in their regions. The state Workforce Quality Council also is overseeing efforts to better integrate and improve the quality of the state's labor market information system.

State and Local Governance

1991 legislation created a new system of state and regional workforce quality committees to better coordinate and oversee education and training efforts. The state Workforce Quality Council has representatives from business, labor and state agencies and is chaired by a private sector representative. It initially had majority representation from the private sector, but additions to the Council in 1993 tipped the balance back in favor of the public sector. The Council assumed the responsibilities of the State Job Training Coordinating Council (SJTCC) and the Oregon Occupational Information Coordinating Committee (OOICC). SJTCC and OOICC are now subcommittees of the Workforce Quality Council. The State Apprenticeship and Training Council and the State Advisory Council for Career and Vocational Education were not abolished, but share overlapping membership with the Council.

In 1992, 15 regional workforce quality committees were established, each deciding whether to elect or appoint members. The committees are chaired by private sector representatives. These regional committees submitted their first regional plans to the state Council in June 1993. The regional committees received some staff start-up funding but most staff were donated by different agencies. The 1993-95 state budget allocation to the state Council enabled at least part-time permanent staff funding for all the regional boards and funding for each regional committee to implement activities consistent with their regional plans. In addition, there is a new effort to link the regional workforce quality committee planning

with both the restructured regional economic development board planning and regional education service districts. Neither the state Council nor regional committees have authority to allocate funds. They do, however, make funding recommendations to the Legislature for 37 programs within 15 agencies and submit regional and state workforce development budgets to the Legislature. This is done to ensure a coordinated funding strategy for workforce development.

The enabling legislation directed the Council to focus on public sector strategies for its first biennium and private sector strategies after that. During the 1991-93 period, the Council proposed changes in the state's organization of employment and training programs. The Council recommended housing workforce programs for youth, workers and the unemployed within a single agency, the Department of Workforce Development. The proposal was not voted on in 1993 and is no longer being considered. The Council also has developed a long-term plan for linking databases and sharing information between agencies. This plan is being implemented in 13 state agencies including the Department of Human Resources, Economic Development Department, Community Colleges, Vocational Rehabilitation and Corrections.

A major accomplishment of the Council's first two years was the restructuring of the local delivery systems of most participating agencies around the 15 regions defined by the Workforce Quality Council. Since 1993, the Council's focus has shifted to its private sector agenda, and a new effort to organize the private sector regionally was co-funded by the Northwest Area Foundation and the Economic Development Department. The project involved a series of forums in each region allowing key private sector leaders to discuss workforce development issues and challenges, and to develop organizing strategies.

Delivery System

The Workforce Quality Council plans include redesigning the local employment and training service delivery and assisting regional committees to create one-stop delivery systems for education, employment and training services. Oregon received a federal one-stop planning grant to further these efforts. Oregon plans to build a system of centers that will offer:

- case management,
- labor market information,
- job matching and placement,
- unemployment insurance enrollment,
- training program referral for clients, and
- information for employers about job applicants and training providers.

Oregon's recent efforts to restructure the delivery system build upon the last two years of work of the Employment Department. The Department has completed automating its Unemployment Insurance claims system and is working with EDD to expand the network of employers using its job matching services. The Department is also attempting to expand its clientele and serve a broader range of Oregonians. As part of this effort, the Department also is piloting service centers on college campuses.

Labor Market Information

Oregon is engaged in several efforts to improve the quality, coordination and accessibility of its labor market information system, both through the Workforce Quality Council and the Employment Department.

The Workforce Quality Council has been overseeing a large-scale project to study the feasibility of linking the databases of the 10 state agencies involved in the workforce development system since 1992. These databases would be linked, allowing agencies to share participant data for use by case managers and planners, facilitate joint planning, define common performance measures and track and report on that performance. The state is moving forward in this effort, and is currently considering the confidentiality issues involved in linking the systems.

1993 legislation made Labor Market Information an official division of the Employment Department, and charged the division with coordinating the different information systems in the state. The state has three kinds of labor market information databases:

- the Occupational Program Planning System, which contains the state's labor demand and supply information;
- the Career Information System, which serves most high schools and community colleges, offering data on different career options and education and training required for each; and
- the Oregon Automated Follow-Up System, which follows participants in training programs to track their earnings, industry of employment and changes in employment status for several years.

The Employment Department also publishes written information on state and local economic conditions, wages and working conditions about various occupations, as well as information on training programs and the providers of employment services. Information on placement rates and earnings of participants in training programs is being added as it becomes available. The Department is trying to expand the Unemployment Insurance electronic system to include information on training programs, career information and job openings. In addition, the Department is creating an on-line job matching system that matches job seekers with jobs by skill clusters, rather than by occupational titles.

PENNSYLVANIA

State Strategy and Challenges

Pennsylvania pioneered the development of state initiatives to strengthen state industrial competitiveness, particularly in the manufacturing sector. Its efforts include employer networks and technical assistance to speed the use of new technologies and to reorganize the workplace. Pennsylvania recently focused on comprehensive education reform by identifying new graduation requirements for students. The state was an early leader in the youth apprenticeship movement and is currently creating a school-to-work system that serves all young people. Coordinating employment services also has been a key effort in the state since the late 1980s. Pennsylvania has created a network of job centers offering employment services and labor market information for unemployed workers, dislocated workers and employers. There is an additional network of "single point of contact" (SPOC) centers offering a full range of welfare, social, health and employment services for public assistance recipients. Despite this impressive local network for service delivery, Pennsylvania has not yet created a unified state or regional governance structure to coordinate education, employment and training programs and oversee service delivery for all Pennsylvanians.

Context and Key Events

Pennsylvania is known for early efforts to support its manufacturing industries, which are considered critical to the state's economic health. It has developed innovative programs to provide technical assistance, training and funding to the manufacturing sector. When Governor Robert Casey was elected in 1986, he broadened Pennsylvania's strategy for adapting to a changing economy by targeting education, employment and training services for improvement. He focused on improving coordination of these services, supporting the creation of a state-wide network of local job centers to centralize employment information and services for unemployed and dislocated workers. The Governor also helped forge an agreement among three state agencies to coordinate all publicly funded services for those on public assistance through the network of SPOC centers.

Next, Pennsylvania created the Economic Development Partnership, a group of business, education, government and labor leaders, to develop a more comprehensive plan for linking the state's economic development plan, education reform agenda and employment and training services. The Partnership recognized the need to address workforce development issues and produced *A State Prepared: Developing Pennsylvania's Workforce*. The report recommended:

- creating a state-wide business and education coalition to improve the basic education system,
- taking a regional approach to investments in workforce development,
- making schools hubs for early childhood and family services, and
- setting higher academic standards for students.

The state has moved forward on these recommendations, creating a business and education advisory group, developing centers at schools to coordinate programs and services for children and their families, linking new school-to-work programs to regional workforce development needs throughout the state, and adopting high school graduation requirements to raise student academic achievement.

Economic Development Policy

Among the innovative programs Pennsylvania has created to support the manufacturing sector are the Ben Franklin Partnership, the Industrial Resource Center Network and the Manufacturing Innovations Network.

The Ben Franklin Technology Centers were created in 1982 as nonprofit entities governed by business and university leaders. Four regionally based Technology Centers match funds for the development and application of advanced technologies as well as for

other initiatives that strengthen the state's economy. The Centers each receive about $6 million from the state annually for their core programs. The Centers also administer Technology Business Incubator programs that offer grants to:

- businesses in economically distressed areas,
- the Research Seed Grant Program to help small companies develop and market new technologies, and
- PennTech, a service which provides information about new technologies to Pennsylvania companies.

In 1988, the state created the Industrial Resource Center (IRC) network, modeled after the agricultural extension service. Nine IRCs across the state help industries adapt to new technologies and new work practices. IRC staff consults and trains workers in new technologies and total quality management. Since 1988, the state has invested $41 million in IRCs. The IRC network created several regional and state-wide manufacturing associations and consortia. Eight IRCs, located in the eight economic development regions in the state, serve a range of traditional manufacturing industries, while the ninth IRC serves the biotechnology industry. The IRCs also have identified companies to participate in youth apprenticeship initiatives. The same management board oversees both the IRCs and the Ben Franklin Centers.

Finally, Pennsylvania created the Manufacturing Innovations Network in 1989. It is jointly sponsored by the Department of Commerce and the Department of Labor and Industry. The Network is designed to encourage manufacturing companies to improve their competitive position by cooperating with one another. The Network works with clusters of smaller firms to create supplier networks and to support joint research and development and training initiatives.

Reforming the Basic Education System

After some controversy, Pennsylvania has recently agreed on what students need to know and be able to do to graduate from high school. Districts are now developing plans to help all students reach these standards by 2004. The state is also upgrading its assessment system, although this system is not linked to the new graduation requirements, and developing a network of centers to provide the social and health services that children need to be ready to learn.

Standards, Assessment and Curriculum Frameworks

The State Board of Education approved a new set of graduation requirements for high school students in the fall of 1993. Religious groups, among others, objected to the initial set of requirements, arguing that they taught values that should only be taught in the home. In response to these objections, the State Board eliminated a few of the proposed requirements. The requirements are grouped into nine broad categories: communications, mathematics, science and technology, environment and ecology, citizenship, arts and humanities, career education and work, wellness and fitness, and home economics.

School districts are required to submit strategic plans to the state outlining how they will help students meet the new requirements. One-third of the districts must submit a strategic plan by 1994, another third by 1995 and the final third by 1996. These new learning requirements are expected to be in place in every school and in every grade by 2004. The state is providing technical assistance to school districts to help them complete their strategic plans.

The state has not mandated any specific assessment tools to measure if students meet the new graduation requirements. Districts decide what students need to do to meet the requirements, from requiring students to take a particular course, engage in a community service activity, complete an independent study project or pass a particular assessment. As part of their plans, districts are required to identify 'transitional' requirements for students to meet at grades three, five and eight to ensure that they will be able to meet the high school requirements.

In addition to the locally developed plans to measure whether students have met the high school requirements, Pennsylvania will continue state-wide assessments. Students are assessed in reading and mathematics in grades five, eight and 11 and in writing in grades six and nine. The 1993 state budget included $4 million to improve the state's assessment program and add more performance-based components. Pennsylvania joined New Standards in 1993 to help them to do this.

Pennsylvania does not have state curriculum frameworks. Each district will decide how to integrate the new requirements into the district curriculum.

Alternative Education and Second-Chance Systems

There is no state-wide system of alternative education for students who are not successful in traditional schools, although Pennsylvania will provide funding for any person under age 21 to work toward a high school diploma. Districts create alternative programs within their own budgets. The Safe Schools Act pending in the 1995 Legislature, however, contains a provision to create a state grant program for alternative education programs so funding may be available if it passes.

The state supports three high schools that exclusively serve dropouts from clusters of school districts. These schools are located in malls that have donated space. The schools offer a high school curriculum and award students a high school diploma when they complete the programs, which are individualized to students' schedules and offer as much time with teachers and computers as students need. No homework is assigned; all work is done at school. State funding does not support students over 21, but each school district can decide whether to cover these students with its own funds. The state is working to piece together other sources of funding (including Job Training Partnership Act funds) to cover students over age 21.

Community Services and Supports

The Governor created a Children's Cabinet in 1992 whose membership includes the Secretaries of Health, Education, and Public Welfare. The Cabinet's mission is to expand and coordinate the delivery of services offered by the three departments. The Cabinet created Family Service Centers, which provide comprehensive social, health and educational services to young children and families. The Centers are required to provide early childhood services, family preservation services, health care referral, access to social services and linkages to job training and employment opportunities. Most Centers are based at or linked to public schools but this is not a requirement. There are currently 48 Centers in 30 counties, and the state plans to develop 15 more by 1995-96. The initiative received $1.6 million from the Departments of Health, Education, and Public Welfare. The Department of Health also has piloted an initiative to create school-based health clinics throughout the state. There are now three such clinics. Legislation to make the Children's Cabinet a permanent entity may be introduced in 1995.

School Organization and Management

State Board of Education regulations require schools to form committees to create strategic plans for implementing the new state graduation requirements. The state will profile each school's performance on a range of indicators. Local committees are then expected to design a plan for needed improvements. The Board encourages schools to include parents and community members on the committees.

Pennsylvania recently eliminated the Student Performance Incentive Program because of a budget shortfall. The program offered financial rewards for districts that improved achievement in reading and mathematics, cut the dropout rate and increased the number of graduates entering higher education.

The state does not offer specific funding for staff development. Districts have always funded staff development programs in Pennsylvania through general district budgets. The Department of Education, however, did establish seven regional Lead Teacher Centers in 1988 to provide training for Lead Teacher programs in many school districts. These Centers are now offering professional

development activities to help school site committees develop plans to meet new graduation requirements.

Education Financing Reforms

Pennsylvania began to move toward a more equitable funding formula for education in 1992. Its goal is to move toward total foundation-base funding, which means the state will set a minimum amount of per-pupil spending and will make up the difference for districts unable to meet this minimum. The State Board set $4,700 as the minimum per pupil expenditure for 1994-95. It is adding over $130 million in supplementary funding to the 40 percent of districts that could not meet minimum requirements. Budgets for other districts were frozen.

Reforming the Post-Basic Education and Training System

Pennsylvania is moving away from high schools with separate general, vocational and academic tracks. All students now are required to meet the same graduation requirements, and the state is eliminating the general curriculum. Pennsylvania also has been working for several years to upgrade technical training options for high school students and to integrate workplace learning into the curriculum for all students.

Restructuring High Schools

Pennsylvania school districts offer a college preparatory as well as a technical and professional curriculum in high school, both meeting the same graduation requirements.

While efforts are underway to integrate higher level academic learning within the vocational curriculum, the state also is attempting to offer work experience to every student. School site committees are working on defining pathways that students may take to meet the new high school requirements in career education and work. Work-based learning models such as youth apprenticeship are an option, as are service learning, internship and tech prep programs with work-based learning components. In 1990, the state created Pennserve, a joint agency of the Department of Education and the Department of Labor and Industry, which promotes community service activities linked to academic learning. Almost 10,000 students are involved in Pennserve projects annually.

A new system of school-to-work action teams was established in each of the state's six education regions in January 1994. Each action team has representatives from the school district, vocational education, economic development and job services. The action teams advise the site committees on ways to meet career education and work requirements, as well as how to structure their school-to-work program options for students. Pennsylvania also is making efforts to upgrade information about education and training programs after 10th grade. The state is currently piloting Choices, a new career information software, in 10 high schools. The information is structured around the 10 career clusters defined by the state's School-to-Work Opportunities Program (see Initial Technical Training Options section). The Pennsylvania Occupational Information Coordinating Council is developing a Pennsylvania Career Development Institute with the Department of Education. The Institute will provide a central location for career and labor market training, information and resources for counselors and teachers across the state.

Initial Technical Training Options

Pennsylvania has been working for several years to structure quality technical training pathways for young people. The state offers, among other options, youth apprenticeship and tech prep programs, jointly called the School-to-Work Opportunities Program. The state integrated the oversight of these and other initial technical training options.

A major component of the School-to-Work Opportunities program is the state's youth apprenticeship program, which began in 1990. Created as a pilot program, it combines classroom and work-based learning for young people at least 16 years old who have completed

10th grade. After successfully completing the four-year program, apprentices receive a skill certificate, a high school diploma and credit toward an associate's degree. Approximately 400 students and 200 companies participated in 17 different programs in 1993-94.

The Department of Labor and Industry and the Department of Commerce initially oversaw the youth apprenticeship program. The Department of Commerce's Industrial Resource Centers helped find business partners for the program. In 1993, administrative responsibility for the program shifted from the Department of Commerce to a Subcommittee on Apprenticeship within the Department of Education. This Subcommittee is chaired by the three Secretaries of Education, Commerce, and Labor and Industry and includes representatives from labor, business and the State Board of Education.

The shift in governance represented an attempt to link the development of youth apprenticeship opportunities to the education reform agenda. The youth apprenticeship program previously had been more closely linked to Pennsylvania's economic development agenda. Creating school-to-work action teams to work with school-site committees was another step in tying school-to-work to broader education reforms.

Under the umbrella of the School-to-Work Opportunities Program, Pennsylvania has developed a set of guidelines to fund new, work-based learning programs in the state, including both tech prep and youth apprenticeship. The state is offering two kinds of competitive state grants: grants for benchmark sites that will be able to implement all the components of school-to-work quickly, and grants for other sites that need a longer pilot period. Four new programs were awarded grants under these guidelines in January 1994.

The 20 existing state tech prep consortia offer tech prep programs in every high school in the state. Work-based learning had not been required in tech prep programs in the past, but is required in new programs. The state also expects to phase work-based learning opportunities into current programs.

To give students and parents a clearer idea of the different options offered, the state has developed 10 clusters to categorize programs. The clusters are: agriculture and natural resources technology, transportation and materials technology, engineering technology, consumer services technology, conservation technology, mechanical installer and repairer technology, production technology, communications technology, health care technology, and business, information and computer technology. The Department of Education, the Department of Labor and Industry, and the Department of Commerce identified the clusters based on which of the state's strongest industries were likely to offer high wage, high skill jobs in the future. Curricula is being developed for each cluster.

Pennsylvania's state university system guarantees tech prep graduates admission to a Penn State campus. The state is trying to expand this arrangement to cover graduates of youth apprenticeship programs.

Higher Education Reforms

Pennsylvania has over 100 institutions of higher education, all of which receive some form of aid from the state. The state created a Task Force on Higher Education Funding to report on how the state determines funding levels for higher education and propose new formulas based on the state's economic and education goals. There is no set date for the report to be released.

Upgrade Training and Retraining Efforts

Pennsylvania has combined funding in innovative ways to provide better training opportunities for disadvantaged and unemployed workers. Funding for training incumbent workers is available through the state's community college system or the Department of Commerce's Customized Job Training Program.

Pennsylvania has two main programs to train incumbent workers: the Customized Job Training (CJT) program and adult literacy programs. CJT, initiated in 1982, assists companies in training new employees and retraining or upgrading incumbent worker skills.

CJT has a $7 million budget and is administered by the Department of Education and the Department of Commerce. Firms must apply for funds through vocational schools or community colleges. The Ben Franklin Partnership (see Economic Development Policy section) also funds training in new technologies.

Pennsylvania has combined funding to bring together packages of services needed to support worker training. The Joint Jobs Initiative Task Force aims to increase participant retention in training programs by developing alternative ways of teaching literacy and basic skills. Their approach integrates literacy with training in specific job skills.

In addition, the state is linking federally funded training programs to specific industry and employer needs through Job Link. Job Link uses the Ben Franklin Partnership as a conduit for training disadvantaged workers for specific employment openings. This program involves the Department of Commerce, Department of Education and Department of Public Welfare. Customized Job Training funds are matched with Job Opportunities and Basic Skills Program (JOBS) funds to provide specialized training through the Ben Franklin Partnership.

Pennsylvania also has worked to raise the level of literacy in the state. The state adult and basic education office funds 33 worksite learning programs, 16 focused exclusively on literacy. The office works with both large corporations and small businesses. In addition to federal adult education and literacy funding, Pennsylvania has funded adult literacy education programs, training for literacy instructors, support services and outreach programs since 1986.

Developing a Labor Market System

Pennsylvania has not created a state or regional governance structure for education, employment and training. However, the state has coordinated employment services locally by creating a network of job centers state wide that offer a range of services to unemployed and dislocated workers and to employers. The state is working to upgrade the quality and range of services and information available through these centers.

State and Local Governance

Pennsylvania has not yet decided whether to create a Human Resource Investment Council (HRIC) to oversee all state education, employment and training programs. Although the state decided it was not ready to create an oversight council when the federal Job Training Partnership Act (JTPA) amendments were first passed in 1992, the issue has resurfaced and it is likely that the new administration will propose the creation of a HRIC in 1995.

There have, however, been some efforts to coordinate education, employment and training policy. Governor Casey created a Workforce Training Cabinet in early 1994 with representation from the Department of Education, Department of Labor and Industry, and Department of Commerce. The Cabinet is chaired by the Governor's education advisor. The Cabinet is responsible for coordinating state policy on training, particularly school-to-work, Customized Job Training, and JTPA programs. Among other responsibilities, the Cabinet was charged with developing a state plan for a school-to-work system and developing and implementing skill standards.

Pennsylvania has no unified governance structure to coordinate education, employment and training at the local level. Local private industry councils oversee training programs in their regions. The new school-to-work action teams bring together some of the initial technical training providers.

Delivery System

Since 1988, the state has undertaken a major effort to restructure its employment and training service delivery system. Pennsylvania replaced local unemployment offices with job centers that offer

access to a full range of employment services for unemployed and dislocated workers. Services offered at job centers include:

- job placement,
- employment testing,
- registration for veterans' and youth training programs,
- labor market information,
- unemployment compensation, and
- referral to vocational rehabilitation and job training programs.

Previously, Unemployment Insurance, Job Services and programs for dislocated workers were delivered separately. The state is undertaking a major marketing campaign this year to encourage employers to take advantage of workers trained through Pennsylvania's training programs. This system is only available, however, to unemployed and dislocated workers.

The state also created a 'single point of contact' (SPOC) system for clients on public assistance to access Department of Education, Department of Public Welfare, and Department of Labor and Industry services. It is called the Joint Jobs Initiative and is managed by a team from these three agencies. There are 90 centers across the state and they provide intensive case management services as well as a unified eligibility screening process and common intake forms for these services.

Labor Market Information

Pennsylvania's labor market information is organized by the state Occupational Information Coordinating Council, located within the Department of Labor and Industry. The system has several databases with information tailored for youth, adults, policy makers and business. Its databases include:

- career guidance and occupational programs for junior high and high school students and adults,
- an inventory of training programs,
- a directory of employers and jobs in the state,
- an occupational information system that describes occupations, and
- skills needed for occupations and training programs available to acquire these skills.

Pennsylvania also has added information on labor supply and demand and employment trends. The information is available in Job Centers as well as in high schools.

After a series of focus groups with employers, Pennsylvania is automating its labor exchange system and adding programs targeted at meeting the needs of specific populations. Training Plus is a program designed to assist businesses interested in hiring public assistance recipients. The state also created the Job Brokers Program. Four regional offices act as a single point of contact for firms interested in hiring graduates from Pennsylvania's job training programs.

TEXAS

State Strategy and Challenges

Texas has legislated one of the most comprehensive human resource investment agendas in the nation. In 1993, the Texas Council on Workforce and Economic Competitiveness (TCWEC) was created to implement that agenda. TCWEC is creating a system of workforce development boards to coordinate regional workforce development programs. The Council is also developing a new system of one-stop centers to deliver education, employment and training services to every Texan. In addition, Texas has been a leader in the development of a skills certification system for youth and adults. Education reform, like human investment policy, is moving forward in Texas. In 1993, legislation mandated a new performance-based assessment system, high school exit exams and a new accountability system for schools. With many education, employment and training reforms legislated in Texas, some of the key challenges facing the Lone Star state are to develop a broader economic development strategy focused on improving the competitiveness of Texas' companies and to maintain the momentum for the development of a human resources investment system.

Context and Key Events

Texas, the second most populous state in the nation, has historically relied on its growing workforce to spur state economic growth. Despite two recessions in the 1980s caused by a decline in energy prices and in the real estate market, Texas' economy grew faster than the nation's. Between 1984 and 1990, however, the average worker's real wages declined by five percent. Realizing that investments in the education and training of the workforce would be key to maintaining Texas' economic competitiveness and the best defense against a declining standard of living, Governor Ann Richards worked during her administration for an economy built on high skills and high wages. In 1991, she launched the Smart Jobs Initiative as the cornerstone of an economic development campaign to usher in what she termed the 'New Texas Prosperity.'

At the same time, momentum to design a more effective and efficient workforce development system was building on other fronts. In November 1992, the Workforce Development Subcommittee of the Senate Interim Committee on State Affairs published *A Quality Workforce: The Premier Chip in a High-Stakes Game*. The report emphasized the need for a more coordinated education, employment and training system, and recommended the creation of a Human Resource Investment Council. The Council would be responsible for consolidating all workforce development programs in the state and creating regional boards to coordinate workforce development programs at the local level. The Comptroller's office released *Against the Grain*, a performance review of state government, two months later. The report concurred with the Subcommittee's findings and recommended the consolidation of the Texas Employment Commission and the Department of Commerce as a first step in streamlining government.

To move these agendas forward, the Governor assembled a Task Force on Education and Economic Competitiveness to develop comprehensive recommendations for the 1993 Legislature. She asked state employment, training and education leaders, as well as representatives from business and labor, to recommend a way to coordinate all workforce development efforts in the state. Based on the Task Force's recommendations, the Legislature passed SB 642. The bill created the Texas Council on Workforce and Economic Competitiveness (TCWEC), authorized the creation of workforce development boards and identified key elements in an integrated human resources development system. In 1994, Texas joined the National Center on Education and the Economy's High Skills State Consortium to support the work of the Council and help the Council move forward on its ambitious agenda.

The Texas Legislature passed an omnibus education bill in 1993 as well. SB 7 set in place performance-based assessments and a statewide accountability and rewards system for schools. Under the education bill, the Commissioner of Education was charged with holding focus groups across the state to find out what parents and

other community members think students should know and be able to do when they graduate from high school. The idea was to garner public support and get input on the academic and applied learning skills necessary to prepare students for the 21st century.

Economic Development Policy

Texas' efforts to strengthen industries in its economy have focused on quality initiatives. The Governor's office and the Business Development Division of the Texas Department of Commerce launched the Quality Texas Program in 1991. The program is designed to help small and medium-sized businesses become more competitive by encouraging them to adopt total quality concepts and create jobs and improve market share.

In addition, Texas developed a quality award in 1992 that is modeled on the Baldrige award. The Texas Quality Award recognizes Texas organizations that excel in quality management and quality achievement. The annual award promotes an awareness of quality as an important element in competitiveness and allows companies to learn about successful quality strategies and their benefits. These award programs were a first step in developing a cadre of Texas businesses that promote high performance forms of work organization.

In 1993, TCWEC was charged with promoting the high performance work agenda. Because it has not focused on this agenda yet, its challenge is to develop a strategy for increasing the number of companies who use high performance work practices.

Reforming the Basic Education System

Texas' goal to build a world-class workforce relies on its ability to create a world-class education system. According to employers interviewed by the Smart Jobs Task Force, however, the current system is far from world class. To help create a world-class education system, the Legislature mandated the development of new high school exit exams, a primarily performance-based assessment system and a new system of school accountability.

Standards, Assessment and Curriculum Frameworks

The Committee on Student Learning (established in May 1991) was first charged with developing criteria for a Certificate of Initial Mastery (CIM), a certificate benchmarked to international standards that would demonstrate student achievement of those standards. In 1991, Texas joined New Standards in an effort to support the development of a CIM and a new system of standards and assessment.

The Committee on Student Learning released its final report in March 1993. Despite recommendations from both the Skills Development Panel and the Smart Jobs Task Force to create a CIM, public support for and understanding of the CIM were still lacking. Because of a lack of support, the Committee was disbanded without actually developing the criteria for a CIM.

The 1993 Legislature, however, authorized the creation of a new Panel on Student Skills and Knowledge. This panel, composed of parents and representatives from business, industry, labor, higher education, the Legislature, community groups, civic organizations and public education, sponsored focus groups across the state to give the public the opportunity to discuss the kinds of skills and knowledge they think students need. In August 1994, the Panel reported their findings to the State Board of Education.

Based in part on the Panel's findings, the Texas Education Agency is developing a new state-wide assessment system to measure students' problem solving and complex thinking skills. In 1993, SB 7 required the Texas Education Agency (TEA) to develop a performance-based assessment system.

Students are now tested with criterion-referenced exams through the Texas Assessment of Academic Skills (TAAS) program, developed in 1990. Students are tested in reading and mathematics at grades three through eight and 10 and writing at grades four, eight, and 10. SB 7 modified the testing program so that students are only required to pass TAAS high school exit exams in reading, writing and

mathematics. Previously, students also were required to pass exit exams in science and social studies.

TAAS tests measure what students know based on the content, concepts and skills outlined in the Essential Elements. The Essential Elements were originally developed between 1981 and 1983 by advisory committees. The frameworks are revised periodically and describe what must be taught in each content area at every grade level. There are frameworks in all content areas, including English language arts, the arts, social studies and science.

Alternative Education and Second-Chance Systems

While there is no single system to serve youth who are at-risk of dropping out of high school, there are several programs and joint efforts aimed at youth who have already dropped out and adults who need to obtain a high school diploma or GED. Through the Adult Education Office at the Texas Education Agency, co-ops have been established in each district to provide supplemental educational services for youth and adults who need an alternative learning environment. School districts, colleges and education service centers act as fiscal agents for co-ops. They can be organized in schools, churches or in other public places. They are often run in cooperation with partners from the private sector and funds from both the federal government and state general revenue.

The Texas Employment Commission also operates a state-wide dropout prevention program called Communities in Schools. Communities in Schools is a nationally recognized program that helps local leaders leverage youth development resources in a given community. Social service providers and business and community volunteers provide counseling, tutoring, referral to social service agencies and enrichment activities for students. The program is funded through the Job Training Partnership Act (JTPA) and state compensatory education funds.

Additionally, the Higher Education Coordinating Board operates a program for eighth and ninth graders at-risk of dropping out of school. The program is funded through JTPA and located on college campuses. It is an eight-week residential program that has markedly reduced dropout rates. Over 90 percent of the students in the program have remained in school.

Community Services and Supports

Although there has not been any major legislation to provide school-based social services for children, Texas has a number of initiatives underway. In 1993, SB 297 expanded funding for the state's initiatives providing guidance and counseling programs for elementary students in at-risk situations. The Legislature also appropriated money to the Texas Children's Mental Health Plan, a state-wide, inter-agency initiative designed to provide community-based primary and preventive mental health services for children. The Texas Comprehensive School Health Initiative is another state effort designed to address the health and education needs of Texas' students. The Initiative is funded by private money and is a forum for educators and health-care service providers from across the state to network and share ideas and resources. The Texas Education Agency, the Texas Department of Health and the Texas Cancer Council also have initiatives that fund specialists to develop regional school and community health advisory coalitions.

School Organization and Management

In 1991, legislation required each school district to develop and implement a plan for site-based decision making by September 1992. Each district submitted a plan explaining how schools in the district would decentralize in five areas: goal setting, curriculum, budget, staffing patterns and school organization. A state-wide advisory committee composed of representatives from the major teacher, principal, school board, superintendent and business associations developed very broad criteria for the plans. The advisory committee is using two different community surveys to measure how well the reforms are being implemented in local communities. In 1993, SB 7 kept the site-based legislation intact and added the requirement that districts and individual campuses

hold at least one public hearing annually to discuss their performance objectives.

As part of the reforms outlined in SB 7, the State Board of Education was required to adopt a set of indicators to measure the quality of learning at each school. As part of the Academic Excellence Indicator System, districts provide an annual performance report describing the educational performance of the district, as well as each school in the district. Performance indicators include: the attendance and dropout rates, the number of students completing advanced courses and student scores on the Texas Assessment of Academic Skills tests (or equivalency tests) and college admissions tests (the SAT or ACT). Schools are rated as exemplary, recognized, acceptable or low performing. Schools that receive the exemplary rating are qualified for a Texas Successful Schools award.

The Texas Successful Schools Awards System was established through SB 7. The Awards System recognizes and rewards schools and school districts that demonstrate progress or success in helping students achieve the education goals of the state. The Governor may present a financial award to the schools or districts that the Commissioner of Education determines have demonstrated the highest levels of sustained success or the greatest improvement in achieving the education goals.

Education Financing Reforms

The issue of equity came to a head in 1993 when the court threatened to cut off money for the state's public schools unless the Legislature devised a new financing plan. After many different solutions were recommended but dismissed by the courts, the Legislature finally passed a measure in 1993 that required wealthy districts to choose from a range of options for assisting poorer schools. Some of the options include: shifting part of wealthier schools' tax base to poorer schools, contracting to educate other districts' students, merging tax bases with one or more poorer districts or consolidating with nearby poor school districts. Although legislation passed, the measure still faces strong opposition. Two law suits were filed claiming that the legislation was unconstitutional. In 1995, however, the Texas Supreme Court upheld the state's finance plan.

Reforming the Post-Basic Education and Training System

In 1987, the Texas Department of Commerce, the Texas Higher Education Coordinating Board and the Texas Education Agency joined forces to revamp the vocational and technical education and training system. This tri-agency partnership developed a Master Plan for Vocational and Technical Education. The plan emphasized strong academic foundations for all students, awareness of a broad range of career opportunities and relevant occupational education. The 1993 Master Plan focused on making vocational and technical training more responsive to local labor market needs and developing a strategy for expanding tech prep and associate's degree programs.

This reform agenda dovetailed with the Texas Council on Workforce and Economic Competitiveness' (TCWEC) and the Design Committee on Youth Apprenticeship and Career Pathways' effort to create a comprehensive school-to-work system for the state. In 1994, the Committee presented a plan to TCWEC to develop a state-wide school-to-work system. The Committee's plan was based on seven design components:

- the development of new curriculum that is competency-based and integrates academic and technical training;
- the creation of a career development system that exposes young people to different vocational and technical pathways and provides them with information on these pathways;
- the development of a two-tiered skill standards and certification system that includes a Career Passport certifying a youth's mastery of basic academic and work readiness skills, as well as an industry-specific skills certificate awarded upon completion of a school-to-work program;

- the structuring of a professional development system to train educators and worksite mentors who will be involved in school-to-work programs;
- strategies to engage business, industry and labor in school-to-work programs;
- the integration of school-to-work efforts with workforce development programs available; and
- an accountability system to measure the effectiveness of the school-to-work system.

TCWEC adopted these design components, but the Council has not decided how it will proceed with the implementation of a school-to-work system for its young people.

Texas also has made a strong commitment to invest in the skills of its adult workforce through the Smart Jobs Plan. The Smart Jobs Plan is a long-term effort that includes the development of skill standards in target occupations and funding to support training programs for adults using a small percentage of funds from the Unemployment Insurance tax.

Restructuring High Schools

The implementation of a comprehensive school-to-work system is one of Texas' key strategies for high school restructuring and creating new kinds of learning experiences for all students. In its report to the Legislature, the Design Committee on Youth Apprenticeship and Career Pathways recommended that its high school curriculum be organized around broad clusters of occupations or career majors and that instruction be more 'hands-on.' These majors or pathways have not yet been determined.

Initial Technical Training Options

Texas has four types of initial technical training options: technical and vocational education programs (that include tech prep programs), cooperative education and a limited number of apprenticeships. Texas' tech prep programs are the strongest building block for its school-to-work initiative because all tech prep programs are required to have an integrated work-based and school-based learning component.

Texas' tech prep system also is monitored by Quality Workforce Planning Committees. Quality Workforce Planning Committees, created as part of the vocational and technical training reforms in the late 1980s, are composed of business, education and public agency representatives. The 24 state-wide Committees were created to ensure that vocational and technical training programs are responsive to local labor market needs. The Committees provide community colleges and other training providers with regional and state labor market information, including information on key industries in the region and growing occupations within those industries. This information helps training providers plan their courses and develop curricula according to labor market needs.

Higher Education Reforms

As part of the reforms to the vocational and technical training system, the Higher Education Coordinating Board requires community colleges to phase out older, non-functioning programs before they can create a new program in a technical field. Eighty-five percent of the graduates from all new programs must be employed or going on to higher education when they graduate from the program. In addition, all technical and vocational programs (both secondary and post-secondary) are measured in two ways. The first measure is students' ability to demonstrate skills, complete the program and pursue additional education or training. The second measure looks at employment rates after training (measured by job placement related to training), student earnings and longitudinal data on how students progress in their career paths.

To guarantee the quality of its graduates, several community and technical colleges provide as many as nine free credit hours of additional skills training to associate's and applied science degree graduates if their employers believe they are lacking appropriate skills.

Upgrade Training and Retraining Efforts

Before the Texas Council on Workforce and Economic Competitiveness (TCWEC) was established, the Governor had charged the State Job Training Coordinating Council (SJTCC) with developing a strategy for using the state's vocational education, job training and adult education programs to implement a 'smart jobs' approach in Texas. Smart jobs are defined in Texas as jobs that require high-level thinking, reasoning and technical skills — the jobs that will be in demand and rewarded by high wages. To learn what needed to be done to develop a world-class workforce, SJTCC assembled a task force composed of key business people to conduct forums across the state with employers, labor representatives, front-line workers and clients of public employment, education and training programs to develop a Smart Jobs Training Plan.

The Smart Jobs Task Force recommended that Texas refocus its efforts on "developing a strategy and funding for the education and training of the active, currently employed workforce — both to prevent dislocation and remain competitive as technological advancements present new challenges in the workplace." The Legislature accepted this challenge and created a training fund modeled after the Employment Training Panel in California. The Smart Jobs Fund, signed into law in February 1993, diverts one-tenth of one percent from the state's Unemployment Insurance tax to support training programs to make Texas' businesses more competitive. This fund contributes about $50 million a year to support training programs in businesses.

Another element of the Smart Jobs Training Plan is the Texas Skill Development Program. The Governor asked the Texas Department of Commerce (TDOC) to take the lead on this project and to "establish a skills development program that will establish employability standards with the help of business and industry." The Skills Development Program aims "to encourage business and industry to define their standards, to create a structure to disseminate their standards to education and training institutions ... and to promote a structure for graduates and workers to be voluntarily certified by business and industry for achievement of standards." As part of phase one, TDOC organized a panel of industry, business and labor leaders to recommend a strategy to the Governor for standards setting, implementation and certification. The Panel released an initial report to the Governor in August 1993. The report contained six recommendations, including awarding a Certificate of Initial Mastery to students and adults for mastery of core academic knowledge and applied learning skills and establishing a State Board for Professional and Technical Standards to design a system for distributing industry-validated curricula and assessments. Neither of these recommendations have been implemented but they are still being discussed in the state.

Phase two has involved the actual development of standards. By using state labor market information, TDOC identified several high skill, high wage occupations in growing industries. It solicited proposals from industry and education partnerships in those industries. Projects to create occupational skill standards in the hospitality, manufacturing, instrumentation, health care and general office work fields were funded. To oversee the evaluation of these projects, another project also was funded. The process of setting skill standards in Texas has proved very expensive, and TDOC has not yet expanded its project to include other industries. Funding for the current projects, however, was extended in 1994.

Developing a Labor Market System

The Texas Council on Workforce and Economic Competitiveness (TCWEC) has spearheaded the effort to create a comprehensive state-wide labor market system. TCWEC has led the effort to consolidate workforce development programs; create local workforce development boards; develop a labor market information system that is responsive to the education, employment and training needs of policy makers, employers, the unemployed and employed adults; and develop an integrated education and workforce training delivery system at the local level by developing one-stop career centers.

State and Local Governance

In May 1993, the Legislature authorized the creation of the Texas Council on Workforce and Economic Competitiveness (TCWEC) through SB 642. The members of TCWEC are appointed by the Governor and represent business, labor, education, community-based organizations and government. TCWEC is an independent agency and the executive director is selected by the Council Chair. The Chair is appointed by the Governor. TCWEC is charged with:

- developing a strategic plan for workforce development for the state;
- reviewing local workforce development plans;
- developing a labor market information system;
- designing a common client application process for state and federal education, employment or training programs;
- structuring a plan to consolidate workforce development programs;
- recommending local workforce development areas to the Governor; and,
- designing a state and local planning process for the coordination of workforce development programs.

TCWEC has other advocacy and evaluation roles detailed in the legislation.

TCWEC has developed a two-part strategic plan which includes a vision statement, program goals and objectives for each of these goals. The plan specifies the core performance measures, strategies and timelines for implementation of TCWEC's plan. TCWEC has organized its work into four areas: career foundations, intervention, worker transition and local systems, and evaluation and performance. The Career Foundation Committee focuses on school-to-work transition issues. The Intervention Committee examines adult education and training issues. The Worker Transition and Local Systems Committee is responsible for overseeing the creation of a labor market information system and local workforce development boards. The Evaluation and Performance Committee is forming a set of performance goals to measure the state's progress on the development of a human resources investment system.

TCWEC is establishing local workforce development boards in each of the state's 28 planning regions. Each board is responsible for developing a plan to coordinate workforce development in its region. The boards' plans, which must be approved by the Governor, will include goals, objectives and performance measures for local employment, education and training programs and describe the structure of the delivery system. The boards will assume the responsibilities of the private industry councils, Quality Workforce Planning Committees, Job Service Employer Committees and Vocational Advisory Committees in their region. A local workforce development board is eligible for incentives and program waivers to promote and support integrated planning and delivery of workforce development services.

One of the other primary responsibilities of TCWEC is to develop and recommend to the Governor and the Legislature a plan for consolidating all workforce development programs in the state. TCWEC adopted a consolidation plan in December 1994 which will be submitted to the Legislature in 1995. The plan recommends the consolidation of 12 workforce development programs: Employment Service, Unemployment Insurance, Trade Adjustment Assistance, JTPA, JOBS, Food Stamps employment and training, Veterans Employment, Older Americans, Reintegration for Offenders, National and Community Service, Smart Jobs, and Vocational Rehabilitation programs. These programs would be administered by a newly created workforce development agency.

Delivery System

SB 642 authorized the development of one-stop centers to provide centralized and coordinated education, employment and training services to employers, job seekers and others seeking access to federal or state workforce development programs. These centers will be governed by the local workforce development boards but TCWEC will provide policy direction and oversee implementation at the state

level. One-stop centers, however, also can be created in areas where a local workforce development board does not exist. The key features of Texas' one-stop center system are:

- universal access to comprehensive labor market information and employment services,
- customer choice,
- integration of programs, services, and governance, and
- common performance-based, outcome-driven measures.

One-stop centers will provide case management, referral and support services to any client in need of education, employment or training services.

After an initial assessment, clients will be referred to basic education, classroom skills training, on-the-job training or customized training programs, depending on individual needs. Information on support services, including child care, loans or other financial assistance, will be provided. Information on JTPA, Veterans Employment Service, Unemployment Insurance, the Trade Adjustment Act, Employment Service, and the Senior Community Service Employment programs initially will be available for clients. In the future, clients will be able to enroll in these programs at a one-stop center. The Council also has been charged with developing a common intake and eligibility application process for the one-stop centers.

In addition to services for workers and the unemployed, services for employers and program administrators will be available at one-stop centers. The centers will offer recruitment assistance for employers and information on local labor market trends. Employers also will be able to list positions available in their firms and pre-screen applicants at the center.

Texas received a $5 million grant from the federal government to help implement these one-stop centers state wide. Texas' strategy is to fund 12 pilot centers during the first year of implementation. The state will continue funding those sites the following year (but with reduced funding) and select 17 to 20 additional sites. By the third year of implementation, Texas plans to fully implement 28 to 32 one-stop centers across the state.

In an effort to make public services more accessible, the Texas Employment Commission (TEC) is piloting kiosks that offer information on the various public services available in the state. The kiosks eventually will provide automated job referral services on-line in a variety of public places.

Labor Market Information

Local workforce development boards are responsible for operating an automated, interactive, employer-driven labor market information system to support the one-stop centers. The information system is being developed and will provide clients and employers with information on the skills of the workforce, available job openings, and education, employment and training opportunities.

Currently, the state operates automated job referral services for anyone seeking employment over the age of 15. The services are available through local TEC offices. Many local offices provide information about training programs. TEC also is developing a way to measure the success of placing clients with employers. All state government agencies must register positions with the referral services, but private employers are not required to list available positions.

Texas' State Occupational Information Coordinating Council (SOICC) provides information on labor market trends to various state agencies, but does not provide services directly to clients who use public employment, education and training programs. Although Quality Workforce Planning regions use SOICC information to guide vocational education and technical programs, the automated referral services are not linked to SOICC information.

VERMONT

State Strategy and Challenges

Vermont is a national leader in the movement to restructure education. The 1989 Green Mountain Challenge set goals for education in Vermont and defined a common set of core academic and work readiness skills for its students. The Department of Education is developing performance standards for students and an assessment system that will measure whether or not students have met high standards. Vermont is also committed to investing in the education of its adults. The state has a unique adult education program that guarantees any adult without a high school diploma access to basic education classes. In the past few years, the state has focused on other components of its human resources investment agenda. Vermont's Human Resource Investment Council is developing regional workforce investment boards, a one-stop delivery system for employment and training programs and services, and an improved labor information system. The Human Resource Investment Council is also leading the effort to develop a system of options for young people making the transition from school to work, further education or training programs. The state has not yet fully coordinated its economic development, education and training initiatives, but the work of the Human Resource Investment Council and a new state economic development plan suggest the state is developing a more comprehensive human investment strategy.

Context and Key Events

Early efforts to build a highly skilled workforce began with changes in the basic education system. In the late 1980s, Vermonters reached consensus on four education goals that have served as the basis for education reform in the state. In 1990, Vermont became the first state to pilot a state-wide assessment program that includes student portfolios. Two years later, the state adopted Vermont's *Common Core of Learning* defining what students must know to succeed in the 21st century and providing a framework for achieving the education goals.

In addition to investing in its young people, Vermont has developed strategies to support its adult workforce. The state began to focus on investments in education and training in the early 1990s. From 1989-1992, Vermont suffered a recession in which employment declined for 40 consecutive months. During this economic downturn, the House Commerce Committee released *Toward Sustainable Economic Development*. This 1991 report concluded that "a high level of skill and productivity in Vermont's workforce" is the critical element in Vermont's economic future. Traditional business development programs and tax incentives would no longer be sufficient to maintain Vermont's economic competitiveness and high quality of life.

In response to the Commerce Committee report, Governor Howard Dean formed a Task Force on Education and Training to "make recommendations which anticipate and respond to the workforce needs of employers and to enhance the employability of individuals." In 1992, the Task Force recommended that the state:

- create an economic development plan for Vermont, with workforce education and training as the key components;
- develop an information and referral system for those seeking initial or continuing education;
- improve its education and training programs; and
- establish a Human Resource Investment Council to coordinate the implementation of the recommendations.

Vermont has made considerable progress on each of these four recommendations.

In 1993, the Human Resources Investment Council (HRIC) was established by Executive Order to "develop and oversee an efficient, effective and accessible workforce and education training system for all Vermonters and Vermont employers." The Council is developing a state-wide, school-to-work transition system, one-stop centers for unemployed and incumbent workers, and InfoVermont, an information system about education, employment and training

programs. In 1994, Vermont also joined the National Center on Education and the Economy's High Skills State Consortium to help implement this comprehensive agenda.

The Partnership for Economic Progress also was created in 1993 to develop a plan for creating the jobs and business environment to employ a highly skilled workforce. Composed of representatives from labor, business and Vermont's Senate and House, the Partnership released a 10-year economic development plan with goals and benchmarks. The Partnership has since evolved into a permanent executive entity called the Vermont Economic Progress Council.

Economic Development Policy

Vermont's economic development strategy is twofold — to create jobs in growth and emerging industries and to create the highly skilled workforce needed to fill those jobs. The Vermont Economic Partnership's first 10-year economic development plan, *A Plan for a Decade of Progress: Actions for Vermont's Economy*, contains 71 recommendations based on this strategy. The recommendations addressed nine general issues: the development of consistent, stable leadership; tax and finance reform; transportation; the economic development system; energy; telecommunications; marketing strategy; science and technology; and the regulatory system.

As part of the economic development system reforms, the report called for a stronger role by Regional Planning Commissions (RPCs) and Regional Development Corporations (RDCs). RPCs develop local economic policy, while RDCs attract new businesses and improve existing businesses' competitiveness by providing technical assistance. The economic development plan charged the Department of Economic Development with improving the performance of the regional bodies and encouraging them to take a more active role in workforce development planning.

Vermont also has created five Small Business Development Centers throughout the state. The Centers are non-profit organizations that provide free consulting services to help small businesses with start-up, acquisition, financial issues, capital formation, marketing and expansion. Small businesses account for more than 95 percent of Vermont's businesses, employing about 85 percent of the workforce.

Reforming the Basic Education System

Vermont embarked on a broad-based effort to reform its education system in 1989. After discussions with citizens across the state, the State Board of Education adopted and the Legislature affirmed four education goals:

- Vermonters will see to it that every child becomes a competent, caring, productive, responsible individual and a citizen who is committed to continued learning throughout life;
- Vermonters will restructure their schools to support very high performance for all students;
- Vermont will attract, support and develop the most effective teachers and school leaders in the nation; and
- Vermont parents, educators, students and citizens will create powerful partnerships to support teaching and learning in every community.

These goals have become the focus of the state-wide education reform initiative called the Green Mountain Challenge. The Challenge has involved thousands of citizens and more than 50 forums across the state in a conversation about what young people need to know and be able to do to meet the challenges of the 21st century. Since 1991, the Vermont Department of Education has updated the Green Mountain Challenge each year to document the state's progress in the reform effort and to keep the state focused on its education goals.

Vermont also joined the National Alliance for Restructuring Education in 1990. It has used the National Alliance's restructuring framework to organize its state education reform effort and develop a model community services and supports system at the state level. Five school districts and a number of elementary, middle and high

schools across the state have been working with the National Alliance.

Standards, Assessment and Curriculum Frameworks

As part of the Green Mountain Challenge, more than 4,000 residents helped create Vermont's *Common Core of Learning* in 1992. The *Common Core* describes the knowledge and skills students need to succeed in school and beyond. The *Common Core* identifies four groups of 'vital result' areas: communication, reasoning and problem solving, personal development and social responsibility. To ensure academic rigor, the *Common Core* also identifies fields of knowledge that must be mastered, including science, mathematics and technology, arts and humanities, social sciences, and emerging fields. Emerging fields was included in the *Common Core* to remind Vermonters that the fields of knowledge would be evolving.

Vermont is developing a curriculum framework and assessment tools (the *Common Core Framework for Curriculum and Assessment*) tied to the *Common Core of Learning*. The *Common Core Framework* will include content and performance standards in the 'vital result' areas and the fields of knowledge in the *Common Core of Learning*, a description of essential learning experiences and an implementation resource guide. Draft content standards have been released. The other components of the *Framework* are still under development.

As a member of New Standards, Vermont is basing some of its new assessment system on the work it is doing with New Standards. Vermont implemented performance-based assessments in writing and mathematics for fourth and eighth grades during the 1991-92 school year. In 1994, the writing assessment was changed to fifth and eighth grades. The writing assessment is comprised of three separate parts:

- a portfolio which is a collection of a student's work;
- a best-practice writing sample chosen by the student; and
- a timed written response.

The portfolio and best practice piece are scored first by the student's teacher and then by a second teacher. The writing response is scored by professional readers. After its first year, the assessments produced somewhat mixed results because of disagreements among teachers about the scoring process. Work is underway to train teachers in the assessment process to ensure greater consistency in scoring.

The mathematics assessment consists of a portfolio, and an assessment comprised of both multiple-choice and open-ended questions. The second part of the assessment is similar to the National Assessment of Education Progress (NAEP), and Vermont uses the NAEP model as a guideline for scoring. The assessment tests students in five areas: geometry, numbers and operations, data analysis, measurement and algebra.

The Department of Education plans to broaden the range of subjects tested. An arts assessment will be implemented in the spring of 1995, with science, mathematics and technology assessments scheduled for implementation in the winter of 1995. The Department also hopes to develop a social studies assessment.

In addition, the Department is developing a 10th-grade assessment which may be the springboard for the development of the Certificate of Initial Mastery (CIM). The state is committed to developing a CIM by the 1996-97 school year as part of the Green Mountain Challenge although it has not been legislated. As a member of the National Alliance for Restructuring Education, nine Vermont high schools and a number of elementary and middle schools are committed to developing the CIM.

Alternative Education and Second-Chance Systems

Vermont does not fund a state-wide system of alternative education or a state-wide program for dropout prevention and recovery. Each district determines services and programs based on its community's needs.

Community Services and Supports

Vermont leads the nation in developing an effective state-level collaboration between the Department of Education and the Agency of Human Services. Based on the National Alliance for Restructuring Education's framework for a community services and supports system, the Department of Education and the Agency of Human Services crafted a joint vision statement. According to this statement, the state plans to create a system in which:

- families have access to a comprehensive and coordinated array of education, health and human services at or near their home, school and community;
- communities have consolidated governance structures for these services;
- communities have agreed-upon outcomes for children and families;
- the education and human services finance systems link resources to outcomes;
- there is a community-state partnership to support community planning, training and team building; and
- Vermont leaders are engaged in the creation of an environment that will enable all Vermonters to protect, educate and support their children and families through community-based efforts.

To create such a system, Vermont is developing an outcomes-based system for children and family services that will be piloted in five communities. The state will provide funds to set outcomes for children and families, and to form collaborative governance structures to administer the funds. The state will hold the communities accountable for meeting those outcomes.

There are over 50 other collaborative efforts between education and human services underway. Success by Six, for example, is an initiative to develop a comprehensive community-based support system. The goal is to develop local programs and services to ensure the healthy development of children and their families in the early childhood years. Success by Six has been a major priority for the Governor. Two communities already have developed comprehensive programs to ensure every child is prepared to be successful upon entering school. Twelve other communities are in the planning and early implementation stages of a Success by Six plan.

School Organization and Management

With an average school size of 200 students, legislation to support a state-wide, site-based management system has not been necessary in Vermont. Each school is generally responsible for its own management, and Vermont has consistently ranked as one of the top states on site-based management in public schools.

In addition to being a leader in school-level management, Vermont has undertaken a major initiative to operate its state Department of Education more efficiently. With help from the National Alliance for Restructuring Education, Vermont has embarked on a total quality management initiative at the Department of Education. National Alliance staff trained four State Department of Education officials, who then trained the entire State Department and staff from the Vermont Agency of Human Services, the Folsom Education Center and an Alliance school in South Hero.

Education Financing Reforms

Education reform has not spurred major changes in Vermont's financing system, but the new education programs proposed have required additional funds. It has been necessary to adjust the state aid system to ensure that programs receive adequate funding. The Governor plans to propose shifting some of the school financing burden from local property taxes to other sources during the 1995 legislative session.

Vermont has made significant changes in the way it finances special education. The special education funding system was radically revised by Act 235 in 1988 and Act 230 in 1990. Act 235 allowed schools more flexibility to decide how to spend their money to meet the diverse needs of their students. It guarantees the same level of

educational support to each student regardless of whether the student is in a special education program or mainstreamed into regular classrooms. Act 235 also developed an agreement between state and local education agencies to split the costs of special education expenditures. (The state, however, has not been able to maintain this 50/50 cost sharing. In 1994, the state share of the cost dropped to 44 percent.)

In 1990, Act 230 allowed special education block grants to be based on the formula for average daily attendance rather than the number of students receiving special education services. This revision made it unnecessary for schools to label students as 'special education students' to receive supplemental funding for remedial or compensatory services.

Since these reforms have been implemented, the number of students identified as eligible for special education has dropped by 18.4 percent; 87 percent of parents, teachers and students interviewed agreed that students who were mainstreamed into regular classes were successful in school; and 97 percent of special education administrators in the state think that more students are now receiving support services than before the reforms.

Reforming the Post-Basic Education and Training System

Vermont is committed to preparing both young people and adults for entry into post-secondary education and training programs or employment. To insure that all Vermont adults have a basic education, the state allows any adult without a high school diploma to receive free basic education classes. In addition, the state provides funds for upgrade training and retraining of adult workers through the Vermont Training Program. Vermont also is developing pathways for students through a state school-to-work transition initiative. In 1994, the Human Resource Investment Council created a Public/Private Work Group to develop a state plan for school-to-work transition. The Public/Private Work Group's draft plan for school-to-work includes a vision and mission statement, identifies characteristics of Vermont's school-to-work system, lists outcomes for students participating in school-to-work activities and identifies basic strategies for implementing the system in local communities and at the state level.

Restructuring High Schools

As part of its school-to-work effort, Vermont is considering the development of flexible career pathways for students beyond the 10th grade. A committee at the Department of Education has begun to identify which pathways might be available to students. The Department is discussing whether or not these pathways would be for all students or only for students in school-to-work programs.

Vermont also is developing a state-wide career development portfolio as part of its school-to-work effort. The portfolio will include: documents that show students' personal career plans and personal development, assessments that illustrate the level of the students' academic and applied learning skills, and a collection of selected 'presentation' documents from the students' full portfolio that might be used to help the student get a job or enter a training or education program in their career plan.

In addition, Vermont is a leader in using community service to change the delivery of instruction in schools. The Department of Education gave 10 schools across the state service-learning grants to use the community as classroom to create new learning environments for students.

Initial Technical Training Options

Vermont offers its students technical education programs (including tech prep programs) and youth apprenticeship opportunities. Secondary technical education in Vermont is provided by 15 regional technical centers. These centers are the primary recipients of Perkins funds and are accountable to the State Board of Education. These centers have developed tech prep programs that lead to associate's degrees at public and private colleges. Work-based learning may be a part of the tech prep programs, but it is not a requirement.

In 1991, the Legislature passed the Student Apprenticeship Act, establishing a system for delivering apprenticeship opportunities to secondary students as part of their public education entitlement. The student apprenticeship includes an academic component, paid employment and the development of a career plan leading to continued education and training. Youth apprentices also are supported by a school coordinator and a worksite mentor. Upon completion of the apprenticeship, students receive an industry-recognized certificate developed in partnership with state trade associations and endorsed by the State Board of Education. In 1994, 12 students participated in student apprenticeships in printing technology, fleet technical-construction, automotive operations, manufacturing water treatment and hospitality. The goal is for 48 students to participate by the fall of 1995.

Higher Education Reforms

As in most rural states, many Vermont residents do not live near education and training sites. Vermont's State Colleges supported the development of Vermont Interactive Television (VIT). VIT transmits video and audio signals over phone lines and currently reaches homes in nine communities. For those who do not have the financial means to obtain education and training, the Vermont Student Assistance Corporation provides financial assistance, and educational and financial aid counseling.

Upgrade Training and Retraining Efforts

Vermont does not have a training trust fund for adult upgrade training or retraining, but the state does have a strong basic education program for adults. For adults who do not have high school diplomas, the Department of Education offers Adult Basic Education courses free of charge. The courses are taught at technical centers. The primary focus of Adult Basic Education is to help adults earn their high school diploma and gain English language proficiency, reading skills and mathematics skills. Adults who have high school diplomas may participate in Adult Basic Education courses depending on space availability.

Vermont also has an adult diploma program for adults over 21. The adult diploma is different than a high school diploma because it is based on a competency-based portfolio system. Adults are granted diplomas when they demonstrate mastery of skills rather than after they accumulate course units. The program is funded by the Department of Employment and Training and local school districts.

The Department of Social Welfare also has been involved in adult education and training. The Reach Up program is a state welfare-to-work program which provides support for a comprehensive array of education, training and employment services, including post-secondary training. Reach Up is funded by various state and federal funds, including money from the JOBS program.

In addition, the Department of Economic Development operates several state programs, including the Vermont Training Program. The Vermont Training Program is designed to help manufacturing companies train new or existing employees, including upgrade training and cross-training. Approximately 600 adults were served in fiscal year 1993.

Developing a Labor Market System

Vermont has created a state-level governance structure for human investment policy and is developing regional workforce investment boards in 12 labor market regions. Although Vermont currently has only one model one-stop center where unemployed workers or employed adults can access education, employment and training services, Vermont plans to develop one-stop centers in each of its 12 labor market regions. The state also is improving an electronic information system to allow any citizen to access information on social, education, employment or training services.

State and Local Governance

The Human Resource Investment Council, created by Executive Order in 1992, is responsible for coordinating the state's education, employment and training programs. There are 16 members

including the Commissioners of all relevant state agencies, a representative from the Governor's office, six community and business representatives, a state Senator and a state Representative.

In its first year, the Council defined the guiding principles of a workforce development system, specific elements of an ideal system and the mechanisms needed to establish that system. The Council was charged specifically with implementing the goals articulated by the Governor's 1992 Task Force on Education and Training. These goals included the development of an information and referral system for employers, and an improved system of programs for individuals seeking initial or continuing education and training. As part of this work, the Council led the state-wide effort to develop a school-to-work system.

In 1994, the Council released a draft report that included specific recommendations and action items for the development of a more coordinated education, employment and training system. Vermont's labor market system will be guided by four key principles: increasing the skills of workers based on the needs of the labor market, customer orientation, a regional focus and public/private partnerships. One of the recommendations is to establish 12 regional workforce investment boards that would mirror the membership of the state Human Resource Investment Council at the local level and replace all regional boards and councils that presently coordinate local workforce education and training activities. The Council is developing criteria for creating workforce investment boards and plans to fund pilot projects during 1995 for local communities that wish to establish boards.

Delivery System

Vermont is building a state-wide system of one-stop centers to help citizens access education, employment and training opportunities. Since 1981, all Employment Security, Unemployment Insurance and Job Training Partnership Act (JTPA) funds have been under a single governance structure in the Department of Employment and Training (DET). Vermont operates as a single service delivery area with 12 regional DET offices. In 1989, the Department of Employment and Training organized an Outplacement Center in response to a large dislocation of General Electric workers. The Center was created to help the dislocated workers reenter the workforce. The Center provided job seekers with access to computers and periodicals with relevant employment, training and labor market information.

The success of the Outplacement Center led to the creation in 1992 of the Burlington Community Resource Center, Vermont's first one-stop center. The Center features on-site education and training services; financial aid and education counseling; and access to information regarding other major service providers. There is labor market and labor exchange information, vocational exploration materials, resume workshops and an inventory of state training programs.

In 1994, DET received a federal planning grant to create one-stop centers in all 12 of its regional offices. Each one-stop center will have a steering committee composed of local representatives from business, labor and government. The one-stop centers will be evaluated in two ways: employers will be questioned about the competence of the workers referred to them and job seekers will be asked about the quality and efficiency of the services they received. For each one-stop center, workforce investment boards will serve in an advisory and coordinating capacity.

Labor Market Information

There are two types of labor market information available through DET: standard economic information (wage data, employment statistics, a list of occupations and skill requirements, etc.) and an on-line listing of current available jobs.

The HRIC and the Agency for Human Services are developing a state-wide information system called InfoVermont that uses standard economic information and other data. The goal is to create an information system that is comprehensive, easy to use and accessible

to employers, individuals, and education and agency personnel. Info-Vermont will offer information on a broad range of public services on-line, including education and job training programs, and health, legal and business services available in the state. Eventually, Vermont plans to expand the capabilities of InfoVermont to include uniform program accountability measures and financial records on-line.

Efforts are underway to make information about the different job training and social service programs more accessible to program administrators. Job Services and the Departments of Labor and Social Services have already linked their respective databases, allowing Job Services, JTPA programs and JOBS to share information.

WASHINGTON

State Strategy and Challenges

Washington's Legislature created the Workforce Training and Education Coordinating Board in 1991 to coordinate education, employment and training programs at the state level. The Training Board is now considering the creation of regional governance structures to coordinate local workforce development programs and policies. The state also is planning to develop a system of one-stop centers for young people, as well as unemployed and employed adults, and a labor market information system to support the centers. The centers will build on an existing effort to ease access to and enrollment in workforce development programs. Washington also has an ambitious education reform agenda. The state is identifying standards in core academic areas, developing a performance-based assessment system and creating a Certificate of Mastery. Washington, however, has not fully linked its education and training agenda to a broad state strategy for increasing the competitiveness of its industries. The Department of Community, Trade and Economic Development has begun to target high value-added industry sectors and provide technical and financial assistance to improve the competitiveness of companies in those sectors. Broadening this kind of effort and linking it to investments in workforce training are critical challenges for the future.

Context and Key Events

In 1991, Governor Booth Gardner appointed the Advisory Council on Investment in Human Capital to study workforce development issues in the state. The Council commissioned the Office of Financial Management to study workforce development issues. Researchers interviewed 300 focus group participants and surveyed 4,200 employers and 2,700 former participants from the state's vocational education and job training programs. The study showed that employers were dissatisfied with the technical skills of Washington's workforce, and that they were having difficulty finding qualified new workers. The Council recommended that the Governor create a central body to coordinate education, employment and training policies.

The Legislature passed workforce development and education legislation in 1991, charging a new entity, the Workforce Training and Education Coordinating Board, with planning, coordinating, evaluating, monitoring and analyzing policy for the state's training system. The Board, made up of representatives from business, labor and government, developed a strategic plan for better coordinating the state's workforce development programs.

In 1991, the Governor also spearheaded an education reform initiative to identify learning goals for all of Washington's students. The following year, the Commission on Student Learning was established to develop a performance-based assessment system and it began to define what students should know and be able to do, based on the state's learning goals. In 1993, legislation later authorized the development of a Certificate of Mastery, a baseline academic and work readiness standard that all students will be required to meet by the 2000-2001 school year.

Economic Development Policy

While most of Washington's economic development policies have focused on business recruitment and export promotion, the Department of Community, Trade and Economic Development also has been encouraging companies in key industries to work together to increase their economic competitiveness. Washington's Economic Sectors Program was developed to:

- improve the competitiveness of small and medium-sized firms;
- link the needs of targeted economic sectors to appropriate state resources;
- encourage firms to change and modernize;
- develop cooperation and leadership among key industry sectors;
- leverage federal and private investment; and
- help companies meet social and environmental objectives while creating and training workers for family-wage jobs.

The Department is working on these issues with industry partners in specific sectors of Washington's economy including biotechnology, environmental industries, film and video, forest products, recycling markets, software, tourism and aerospace.

Reforming the Basic Education System

In 1991, Governor Booth Gardner created the Governor's Council on Education Reform and Funding (GCERF) to identify Washington's Student Learning Goals and recommend education reform legislation. The following year, the Legislature established a Commission on Student Learning to develop standards for what students need to know and be able to do based on the GCERF's Student Learning Goals. In December 1992, GCERF produced its final report, *Putting Children First*. This landmark report became the basis for the Comprehensive Education Reform Act of 1993 (HB 1209).

Standards, Assessment and Curriculum Frameworks

The Comprehensive Education Reform Act laid the foundation for an education system based on high standards, new forms of assessment and curriculum frameworks designed to help young people meet high standards. The Commission on Student Learning is charged with the development of state-wide student performance standards, known as the Essential Academic Learning Requirements (EALRs). EALRs have been developed in math, reading, writing and communication. The Commission also is developing EALRs in five other broad subject areas: civics and history; geography; arts and humanities; health and fitness; and social, physical and life sciences. By 2000-2001, a new performance-based assessment system will be implemented at the elementary, middle and high school levels in all schools in the state. This assessment system will measure student performance against the EALRs. As a participant in New Standards, Washington may base some of its new assessment system on the work they are doing with New Standards.

Washington also is developing a Certificate of Mastery which will be required prior to graduation. The criteria for the Certificate are not outlined in the legislation. The Commission on Student Learning is developing recommendations for the content of the certificate.

The Comprehensive Education Reform Act also mandated the development of state-wide curriculum frameworks. Previously there were more than 200 different locally developed frameworks across the state that were not tied to state standards. The new frameworks will be tied to the EALRs and school districts will be able to choose their own curriculum to meet the criteria outlined in the frameworks. The Office of the Superintendent of Public Instruction estimates that the new state-wide curriculum frameworks will be in place by the year 2000.

Alternative Education and Second-Chance Systems

Washington supports a network of education clinics to serve the needs of dropouts and other students having difficulty in traditional schools. These clinics were started in 1978 as a partnership with a private organization. They receive appropriations from the Legislature based on the number of students participating in their programs. The clinics must be certified by the state. Their curriculum is limited to basic education skills and employment orientation. Education clinics do not award high school diplomas. The goal is to help students return to public school, earn a GED, go on to higher education or find employment. Counseling is available to help motivate the students and to help them solve personal problems. There are over 30 clinics throughout the state.

Community Services and Supports

Washington has made a commitment at the state level to support coordinated health and social service delivery for children and families. The Family Policy Council was created in 1992 to improve health and social services for children and families. The Council is a collaborative of five state agencies and includes membership from the Office of the Superintendent of Public Instruction, the Employment Security Department, the Department of Health, the Department of Community, Trade and Economic Development, and the Department of Social and Health Services. In 1994, legislation

created regional coordinating boards (or networks as they are called in Washington) to better coordinate social service delivery at the local level. Fifty-three networks of local social and health service providers and representatives from the state social and health offices have been established throughout the state. The Family Policy Council helps these networks develop their local service delivery systems.

The Family Policy Council also awards grants to community-based consortia that have developed comprehensive strategies to address the social and health needs of children in their communities. The 1993 Legislature appropriated $8 million for the 1993-95 biennium to support the Family Policy Council's grants.

School Organization and Management

The Commission on Student Learning is developing a new accountability reporting system to measure how well schools are preparing students to meet the EALRs. Provisions will be made to intervene in schools or districts which have a significant number of students persistently failing to meet the standards. The Commission also will reward schools that successfully help students achieve the EALRs. The awards will be based on the rate of improvement of student performance in individual schools. Beginning in the 1994-95 school year, each school must publish an annual school performance report. The Office of the Superintendent of Public Instruction is developing the criteria for the report.

Additionally, 1988 legislation authorized pilot projects in 38 individual schools and one school district to move toward site-based management. Each pilot school established a school site council composed of the school principal, teachers, other school personnel, parents and community members. In secondary schools, students also are included on councils. Each site council develops an annual plan containing school improvement objectives.

The Office of the Superintendent of Public Schools is providing student learning improvement grants to schools for the 1994-95, 1995-96 and 1996-97 school years. The grants fund any staff development or planning efforts that will improve learning for all students. The Comprehensive Education Reform Act further promotes the use of site-based management by requiring school districts interested in student learning improvement grants to share instructional decisions with school staff, parents and community members.

Education Financing Reforms

The Comprehensive Education Reform Act created a 12-member Legislative Fiscal Study Committee to review the common school funding system. The Committee was scheduled to report to the Legislature with recommendations for a new school funding model by January 1995. The Committee, however, has not yet developed any recommendations and will most likely be reconstituted by the new Governor in 1995.

Reforming the Post-Basic Education and Training System

Washington has passed several bills to improve the prospects of its non-college bound students and to provide multiple pathways for its young people. The Governor's Council on School-to-Work was created in 1994 to make recommendations about these pathways and to build consensus for a state-wide framework for school-to-work transition. In January 1995, the Governor's Council submitted a progress report to the Governor outlining a vision for school-to-work. Adult training also has been a priority for the state. In 1993, the state created a training trust fund to help retrain dislocated workers, and investments in basic skills programs for adults have been the backbone of the state's effort to prepare adults for high performance workplaces.

Restructuring High Schools

As part of the effort to restructure its high schools, Washington is integrating vocational and academic education programs and creating multiple and flexible career pathways for all students. In 1992, the Legislature provided grants to help secondary schools

integrate their vocational and academic education programs. Although 35 school districts applied for these grants, only four proposals were funded because of limited funding. One year later, new legislation increased the funding for vocational and academic integration programs and other school-to-work efforts. The Legislature appropriated $1.8 million in local grants during the biennium beginning in July 1993, spurring the development of local school-to-work efforts in school districts across the state.

In particular, the four school districts of Northshore, Everett, Edmonds and Shoreline have received substantial funding to develop school-to-work transition programs that integrate academic and vocational instruction, provide increased guidance and career counseling for students and involve local employers in the development of work-based learning experiences. Each of these districts offers students tech prep programs and applied academic courses. The four school districts also have joined forces to create the Washington Alliance for Systemic Change. As the Washington Alliance, they will provide 50 to 60 two- and three-year internships for students and 10 to 12 educator internships. These work-based learning experiences for both students and teachers are modeled after the Boeing Summer Manufacturing Tech Prep Internship Program. Since Washington is a member of the National Alliance for Restructuring Education, schools at all levels in these four school districts also have been engaged in a broad systemic education reform effort to produce higher levels of learning for all students.

In addition, Washington allows students to participate in community college programs while they are in high school. Washington's Running Start program, legislated in 1990, allows qualified juniors and seniors in high school to take classes at any community and technical college in the state for free. Students can receive college credit toward an associate's degree and/or credit toward their high school diploma for their coursework. The students' high school, however, must approve any classes that are considered for dual credit.

Initial Technical Training Options

Besides integrated vocational and academic programs for high school students, Washington offers students three other types of initial technical training options: youth apprenticeships, tech prep programs and cooperative learning programs. Only a limited number of youth apprenticeship opportunities have been developed at this time. Tech prep, however, is a state-wide initiative. There are 21 tech prep consortia encompassing all 32 of the community and technical colleges and approximately 160 secondary schools. The Boeing Company has been a key partner in providing work-based learning experiences and funding for more than 40 applied academic courses that have been integrated into tech prep programs. Not all of the tech prep programs include work-based learning opportunities. As part of the state's school-to-work initiative, business partnerships and initial technical training options that include work-based learning will be expanded. Washington plans to apply for a federal school-to-work implementation grant to move this effort forward.

Higher Education Reforms

In 1991, legislation created a task force to examine college and university admissions' policies concerning high school credits earned in vocational and applied academic courses. The task force recommended that vocational courses determined to be equivalent to academic courses by local authorities should be accepted by higher education institutions to meet college entrance requirements. As a result, the state is developing a process for students to gain college and university recognition for skills acquired in vocational and applied academic courses. The purpose is to give vocational students the option to continue their education at institutions that award baccalaureate degrees.

The Legislature also merged the governance of community colleges and vocational-technical institutes into a single system in 1991. Previously, local school districts had overseen their own vocational-technical institutes, a governing structure that fragmented the state's approach to adult training. Community colleges are beginning to develop a performance-based admissions system as well.

The State Board for Community and Technical Colleges has been examining skill requirements in various industries. The Board has been working with industry to develop skill standards for those occupations that are a focus of tech prep programs. They also are developing new technical degree programs in electronics, manufacturing technology and food processing occupations.

Upgrade Training and Retraining Efforts

In 1993, the Legislature created a Training Trust Fund to help retrain dislocated workers. The legislation earmarks .12 percent of Unemployment Insurance for workforce training and employment services. Between 1993-95, about $43 million will be generated. Funds are appropriated to the State Board for Community and Technical Colleges ($35.1 million) and the Employment Security Department ($7.9 million). The college system is using these funds to provide training and support services to individuals who are eligible for unemployment insurance, have exhausted their unemployment benefits within the previous 24 months or have received a notice of termination. Colleges must provide increased services to these individuals and may not supplant existing enrollments, programs, support services or funding. Community and technical colleges also are required to consult with local advisory committees regarding the training services provided to these individuals. The legislation also requires the State Board to report information to the Legislature annually on the students served, placement rates, demographics, completion rates and wage levels.

Developing a Labor Market System

Washington has a state council which coordinates workforce development programs, but regional councils have not yet been developed. The state is supporting the development of an integrated service delivery system to better coordinate access to education, employment and training programs at the local level. Washington has a career information system that is available electronically throughout the state, but it has not yet developed a comprehensive and accessible information system that would meet the labor market information needs of any citizen in the state, whether employed, unemployed, young or old.

State and Local Governance

In 1991, the Legislature created the Workforce Training and Education Coordinating Board to plan, coordinate, evaluate and monitor the state's workforce education and training system. The 11-member board is made up of business, labor and government, with three representatives from each group. Government representatives include the Superintendent of Public Instruction, the Executive Director of the State Board for Community and Technical Colleges and the Commissioner of the Employment Security Department. Two non-voting members include the Chair (appointed by the Governor) and a representative of special populations (women, minorities and persons with disabilities). Membership on the Workforce Training Board and the State Job Training Coordinating Council overlaps to ensure coordination between state-funded programs and programs funded under the Perkins and the Job Training Partnership Act (JTPA).

The Workforce Training and Education Coordinating Board is responsible for:

- developing and maintaining a comprehensive plan for workforce training;
- promoting coordination among workforce training and education programs at the state and regional levels;
- assessing the workforce training and education needs of employers and workers;
- developing a consistent and reliable workforce training and education database for service delivery and evaluation;
- evaluating the results of the training system as a whole and establishing minimum standards for evaluating programs within the system; and
- advocating a workforce training and education system that meets the needs of employers and workers.

In September 1994, the Workforce Training and Education Coordinating Board released the state's first comprehensive plan for workforce development, *High Skills, High Wages: Washington's*

Comprehensive Plan. The Training Board made 11 broad recommendations for a better coordinated education, employment and training system. A key recommendation was that the workforce training and education agencies develop performance standards and assessments, transferable across all training and education programs. The Workforce Training Board has supported the Commission on Student Learning's effort to develop performance standards and assessments for K-12 education and the State Board for Community and Technical College's effort, in partnership with the private sector, to develop occupational skill standards.

The state plan also recommended that the Workforce Training Board, in collaboration with other agencies, establish benchmarks for workforce training and education programs. The Workforce Training Board has been developing these benchmarks as part of their work with the National Governors' Association's Performance Management Project. The design of the benchmarking system will not be ready until July 1995, but the Workforce Training Board has identified seven general goals for the state.

In addition, the Workforce Training Board's strategic plan also recommended that the Department of Community, Trade and Economic Development create industry consortia in high value-added sectors of the economy, as well as provide assistance in promoting high performance work practices. The Workforce Training Board is in the initial stages of working with the Department of Community, Trade and Economic Development to create these consortia and promote high performance workplaces in the state. In addition, the Workforce Training Board is involved in the development of Washington's school-to-work implementation grant application to the federal government.

The Workforce Training Board, in consultation with the Higher Education Coordinating Board, also studied the feasibility of redirecting state and federal job training and retraining funds into one job training trust fund and then distributing the funds according to uniform criteria. In 1995, they concluded that federal regulations make it unfeasible to redirect job training funds into a separate training trust fund or to develop uniform criteria. Their report also identified the barriers to coordinating multiple programs and suggested ways that state workforce development agencies could develop a more customer-driven and coordinated education, employment and training system.

Washington has not yet developed a governance structure to coordinate education, employment and training services at the regional or local levels. The Workforce Training Board's recent plan, however, recommended that "a team of business and labor customers and state and local training and education agencies examine the issue of regional coordination of workforce training and education resources."

Delivery System

In 1994, Washington received a federal one-stop center planning grant to develop a strategy for implementing one-stop centers for all citizens state wide. Before receiving the planning grant, the state had already committed $5.5 million for the 1994 program year to help build local capacity to serve dislocated workers, youth, job seekers and employers. The Integrated Service Delivery Project encourages the development of a uniform intake and assessment process, the adoption of common definitions of services and target groups, and the identification of consistent approaches to service delivery for anyone seeking access to state or federal education, employment or training programs. To receive funding, local planning teams must include, at a minimum, the JTPA service delivery area director, employers and representatives from the Employment Security Department, local community and technical colleges and labor. Washington also has a number of different model centers.

Labor Market Information

Washington recognizes that a labor market information system is critical to support the one-stop centers. The state has not decided

how they will redesign their system to better support one-stop centers, but they are committed to providing user-friendly products and information to local labor markets. The Labor Market and Economic Analysis (LMEA) branch of the Washington Employment Security Department collects and disseminates the state's labor market information. Information on labor market areas, employment and payrolls, occupations in the labor market, occupational projections, annual demographics, affirmative action programs, area wage surveys and county labor market and economic profiles is available in a number of publications and computer databases. Information is developed for both clients and program planners, and the state is beginning to develop an automated system that is easier to access.

Washington does not have an on-line system listing employment opportunities in the state, but there is an existing on-line system with information on career opportunities. The Washington Occupational Information System (WOIS) is a private, non-profit organization that collects information on occupations, educational programs and post-secondary schools in Washington state. The system is updated annually and can be accessed on-line or read from printed materials. WOIS collects and disseminates career guidance and labor market information, including occupational information (descriptions of different kinds of jobs), educational programs, school information and military information. The training programs listed, however, are not rated in terms of quality or placement rates. More than 70 percent of all high schools, all of the community colleges and about half of the four-year colleges have the system on their campuses. Libraries, private businesses, social service agencies and other public places also have access to the system.

WISCONSIN

State Strategy and Challenges

Wisconsin has long made education and training reform a priority. The state's education reform efforts include identifying new academic and work readiness standards, developing a new assessment system, reforming the management and organization of schools, and expanding technical training options for young people. A federal school-to-work implementation grant is supporting the state's efforts to create a system of technical training pathways leading to industry-recognized credentials. Wisconsin also has focused on improving and expanding training for employed adults, creating a network of Workplace Learning Centers and providing several state funds for upgrade training. Since 1987, the state has provided employment and training services through a state-wide system of Job Centers. A federal one-stop implementation grant will help Wisconsin expand and upgrade the Centers. The improved labor market information offered through the Centers will help Wisconsins make informed decisions about career and training options. A newly created Human Resource Investment Council and new regional boards suggest that the state will coordinate the development of its training and labor market initiatives. Wisconsin is also beginning to tie its training strategies to its economic development policies, which have focused on helping companies become more competitive by adopting new technologies and restructuring their workplaces.

Context and Key Events

When elected, Governor Tommy Thompson pledged to uphold "the Wisconsin tradition of skilled workers second to none." Recognizing that Wisconsin needed a skills development policy to maintain this tradition, he appointed the Commission for a Quality Workforce to develop a plan for building a world-class workforce for a 21st century economy.

Working with the Wisconsin Technical College System (WTCS) and the Wisconsin Department of Public Instruction (DPI), the Commission issued two action plans: the first "for building a world-class workforce" and the second "for educating the workers of tomorrow." To build the current workforce, the Commission recommended that the state support higher levels of worker training so that workers have the skills to work in reorganized workplaces with new technologies. To educate tomorrow's workers, the Council recommended creating a standards-based education system and strengthening technical education offered to non-college bound students. In 1990, another governor-appointed commission, the Commission on Schools of the 21st Century, echoed the same conclusions. An Executive Cabinet for a Quality Workforce was created to develop legislative proposals from the recommendations of the Commission for a Quality Workforce.

In response to the Cabinet's proposals, the 1991 and 1992 Legislatures passed legislation to reorganize schools to help students meet new academic standards and to offer upgraded technical and professional training options for secondary and post-secondary school students. The legislation also required site-based management of schools. Wisconsin continued its efforts to better coordinate federal job training programs, make employment and training information and services more accessible and increase the skills of its incumbent workforce. The state's strategy included policies requiring coordinated training plans in each region of the state, the expansion of the network of Job Centers offering employment and training information and services and the support of Workplace Learning Centers.

The state also has begun to restructure the governance of education, employment and training programs. In 1993, Governor Thompson created the Office of Workforce Excellence within the Department of Industry, Labor and Human Relations. The Office coordinates workforce development efforts scattered throughout the five state departments involved in education and training. And in 1994, the Governor signed an Executive Order creating a Human Resource Investment Council to oversee all education, employment and training programs in the state. In 1994, the state also received

federal grants to support its efforts to build a comprehensive system of one-stop centers and a school-to-work transition system.

Economic Development Policy

The Department of Industry, Labor and Human Relations (DILHR) directs most efforts to promote high performance work organization in Wisconsin. The Department of Development (DOD) also has several programs that promote technology transfer, skills upgrading and shared learning among companies and industries.

DILHR's Labor Management Council, created by the Legislature in 1987 to bring labor, management and the public sector together to discuss issues that affect economic development, is focusing on the high performance agenda. Through its High Performance Project, the Council is sponsoring site visits to companies that have adopted high performance work practices. Host companies include public, private, manufacturing and non-manufacturing firms. The Council also is writing a report for the Governor describing the benefits of high performance work, assessing the Wisconsin situation, and evaluating the Council's work over the past five years. The report will include recommendations to promote cooperative labor management efforts as a key step in reorganizing workplaces. The report is scheduled for release in May 1995.

In addition, DILHR issued a $200,000 grant to the Center for Wisconsin Strategy (COWS) at the University of Wisconsin-Madison to establish a technical assistance program for businesses adopting high performance work practices. COWS is conducting a survey to collect information on high performance work practices in Wisconsin.

DOD's efforts focus on strengthening manufacturing industries. DOD created the Wisconsin Development Fund in 1985 to help Wisconsin's manufacturing sector become more competitive. The Fund received $19 million for the 1993-95 biennium to support technology upgrading and work reorganization and to oversee several programs, including a Technology Development Fund and a Technology Clearinghouse. The Technology Development Fund was created in 1987 to support partnerships between business and institutions of higher education to develop new competitive technologies. The Technology Clearinghouse was established in 1989 to help businesses learn about relevant technologies.

In 1992, DOD created the Manufacturing Assessment Center to help small and medium-sized manufacturers improve quality through professional assessments of their operations. An interagency team of representatives from DOD, the University of Wisconsin and the Wisconsin Technical College System makes recommendations for training, technical assistance and internal improvements. The team assesses not only technologies, but management procedures as well. The Center does not distribute funds; it only funds staff to help businesses conduct assessments.

In 1994, Wisconsin created the Manufacturing Extension Center (MEC) to expand on the work of the Assessment Center. MEC helps partnerships among business, higher education institutions, and technology-based non-profit organizations establish centers to promote technology transfer. MEC received $4.5 million from the Technology Development Fund. One of its first grants was to the Wisconsin Center for Manufacturing Productivity to coordinate the technology-transfer resources of the state's technical colleges. These resources are organized through Advanced Technology Centers (ATCs) and focus on transferring technologies to small and medium-sized firms. The state began creating ATCs in 1991 and plans to eventually have four regional ATCs with a few additional ones focused on specific industries.

Reforming the Basic Education System

Following the recommendations of the Commission for a Quality Workforce and the Commission for Schools of the 21st Century, the Legislature passed bills in 1991 and 1992 mandating new education standards and curriculum frameworks, a new assessment system to measure student achievement, and expanded technical training options for students not bound directly for college. The reforms also include:

- a 10th-grade Gateway Assessment to ensure that students have mastered basic skills before moving on to more specialized technical and academic subjects,
- provisions giving schools decision making authority,
- provisions to hold schools accountable for student performance, and
- funds to schools allowing them to link to agencies providing health and social services for students and their families.

Standards, Assessment and Curriculum Frameworks

The 1992 Legislature created an Educational Goals Committee to develop a new set of state-wide education goals. The Committee held hearings around the state and submitted the resulting goals to the Legislature in April 1993. The goals are divided into core learner, institutional support and societal support goals. Learner outcomes have been developed for three of the goals — building a substantial knowledge base, developing thinking and communication processes, and applying knowledge and processes. The state is developing curriculum frameworks in academic subject areas and a new assessment system linked to the new learner outcomes. The frameworks and assessment system are scheduled for full implementation by the 1996-97 school year.

The new assessment system will have three components: a knowledge and concepts test, a performance assessment and a portfolio assessment. The performance assessment will require students to solve specific problems. The portfolio will include examples of student work with guidelines developed by the state. Students will be tested in fourth and eighth grades, leading to the 10th-grade Gateway Assessment.

The knowledge and concepts test for eighth- and 10th-grade students was implemented in the 1994-95 school year. The portfolios and performance-based components as well as the fourth-grade knowledge and concepts test will be implemented during the 1996-97 academic year. The legislation does not specify whether passing the Gateway is a prerequisite for further education and training, only that districts specify whether students need to meet certain criteria to choose post-10th-grade options.

Alternative Education and Second-Chance Systems

Wisconsin districts create their own alternative learning programs for students who do not succeed in the traditional school system. The state does not offer special funding to districts; districts decide what percentage of their overall funds to allocate to alternative learning programs. Many have created schools-within-schools, some fund programs within the technical college system and some rural areas of the state have created joint programs between districts.

Students in most alternative education programs work toward a high school diploma, with the exception of students over age 17 who are enrolled in programs at technical colleges. These students work toward a GED, with some additional requirements that include employability skills and health education. In 1994, legislation created an alternative route to a high school diploma for students in alternative education programs. It identified 13 required subjects in which students must show mastery, rather than the traditional accumulation of credits required for graduation. The legislation lets districts decide how to assess whether students have mastered the 13 subjects. No districts have developed a plan to implement the new system yet.

Community Services and Supports

The 1992 Education Reform Bill also contained several programs to provide social services for students and their families at the schools. The bill provided over $600,000 for school and social service collaborative projects. Thirteen school districts have received funding since 1992 for projects that link the schools to school service providers. Another 12 school districts received Learning Assistance Grants to support projects that bring health and human services to the school site. The annual budget for these programs has been over $30,000 since 1991.

In 1993, the Department of Public Instruction received a four-year, $3.6 million grant from the Center for Disease Control to develop a comprehensive student health program. The initiative focuses on state-level reforms to restructure health and social services for school-aged children. A component of the program is designed to strengthen partnerships between social service providers and schools.

The 1993 Legislature created the Task Force on Improving Services for Children and Families to explore ways of providing social services to students more efficiently. The Task Force included the Secretary of Health and Human Services and the Superintendent of Public Instruction. The Task Force completed two reports. The first report, issued in October 1994, recommended enhanced collaboration between schools and social service providers to improve service delivery. The second report, issued in January 1995, discusses barriers to social service agency collaboration, analyzes the federal waivers and state law revisions needed to enhance collaboration, and identifies all state and federal programs and funding sources that serve families and children. The recommendations will be considered by an interagency Department of Public Instruction and Department of Health and Human Services task force as well as the Governor.

School Organization and Management

The 1992 education legislation created an annual performance review process to identify low-performing school districts and to recommend ways for the districts to improve performance. Schools are assessed based on 10 indicators of student academic achievement and the results are published in annual reports. The Department of Public Instruction offers technical assistance to schools identified as low achieving. An audit system created by the Department in 1987 to monitor whether school districts were complying with state rules will be phased out.

Wisconsin has begun to reorganize the school year and fund staff development activities to support education reform. The 1993 Legislature directed the Department to study the issue of extending the school year. The Department's 1993-95 budget calls for gradually extending the school year until schools are open year-round in 2003. The 1992 education reforms included funds to train teachers in new assessment methodologies and to help schools implement school-based management. In 1993, the Legislature allocated $3.6 million for competitive grants to school districts to develop staff development plans. The grant program encourages districts to move away from fragmented staff development activities toward comprehensive district plans linked to the districts' restructuring initiatives. The grants are a maximum of $10,000 for any individual district and $20,000 for any consortium of districts. Funds also have been budgeted for training school board members in management skills, for scholarships for minority teacher aides and paraprofessionals who wish to become instructors, and for additional in-service days for teachers. The 1993 Legislature also authorized 10 districts to establish up to two charter schools.

Education Financing Reforms

To equalize school funding, 1993 legislation required the state to shift two-thirds of its financing for education from local school districts to the state by 1997. The legislation also capped the percentage increase in spending per student at the rate of inflation for five years. Districts can overturn this cap by referendum.

Reforming the Post-Basic Education and Training System

Workforce training and school-to-work are priority issues for Governor Thompson. Since 1990, Wisconsin has expanded tech prep efforts, initiated the first state youth apprenticeship program in the country, improved career counseling in high school and assigned the responsibility of building a state-wide school-to-work system to the Governor's Office on Workforce Excellence. Wisconsin plans to create career majors for 11th- and 12th-graders. These majors will be for all students, but the state has not yet decided what the majors will be or how they will be implemented. Post-secondary options will correspond to these career major areas and provide pathways to post-secondary education for students.

Wisconsin also created new governance structures to oversee the development of the state's school-to-work system. The Governor established a School-to-Work Cabinet (SWC) to replace the Executive Cabinet for a Quality Workforce. The SWC includes representation by the Secretary of DILHR, the Superintendent of Public Instruction, the State Director of the Technical College system, Secretary of the Department of Administration and the president of the University of Wisconsin. The new Cabinet is charged with coordinating efforts among state agencies to build a new school-to-work system. It is likely this Cabinet will become a subcommittee of the new Human Resource Investment Council created in December 1994.

Restructuring High Schools

Wisconsin offers students a choice of college preparatory or technical preparatory pathways after the 10th-grade Gateway Assessment. The technical program consists of a tech prep or youth apprenticeship program and prepares students to enter the labor market, more advanced technical training programs or college. As part of its School-to-Work Initiative, the state plans to develop a set of career majors for 11th-grade students. High schools and technical colleges involved in tech prep programs have identified occupational cluster areas which the state will use to define career majors.

While in high school, students also have the option of participating in the Post-Secondary Enrollment Options Program. The Program, begun in 1992, allows high school students in grades nine-12 to enroll in college or technical school courses free of charge and to receive high school and post-secondary credit. If the courses do not fulfill high school requirements, students can still enroll but are responsible for tuition. Students who meet income criteria are reimbursed for travel expenses.

The state is making a major effort to upgrade career counseling to help students make choices about the education and training options available to them after 10th grade. The Governor's Cabinet for a Quality Workforce appointed a K-12 Guidance Implementation Panel in 1992 to create a new guidance system as part of the state School-to-Work Initiative. Four Career Counseling and Information Centers for Youth were established by DILHR in 1994 with a budget of $734,000. The community-based centers provide youth with comprehensive career and job training information. Wisconsin is creating four additional centers in 1995 with funds from the federal school-to-work grant. The state plans to create 10 regional centers.

Initial Technical Training Options

Tech prep and youth apprenticeship are Wisconsin's major technical training pathways for young people. In 1991, legislation set the 1995-96 school year as the target for tech prep to be available at every high school in the state. A state-wide Tech Prep Management Team is overseeing the implementation of tech prep programs. Tech prep councils have been established at each technical college to develop the necessary infrastructure for the programs in partnership with the state's 400 high schools. Councils are establishing entry-level competencies in five career clusters:

- business education,
- family counseling,
- agri-business,
- trade and technical, and
- health and medicine.

As an incentive to expand tech prep, the Legislature is basing portions of state aid to districts on the numbers of students enrolled in either tech prep or the Post-Secondary Enrollment Options Program. This special aid is a two-year provision only. Annual funds of $300,000 also have been allocated for staff development grants in 1993-95 to assist schools and teachers in implementing tech prep. Tech prep programs in Wisconsin are not required to include work experience.

The 1991 legislation also created a Youth Apprenticeship Program overseen by the Youth Apprenticeship Advisory Council of business and education representatives. The Program integrates school-based and work-based learning through local partnerships between schools and businesses. The Program leads to a high school diploma, a Certificate of Occupational Proficiency in a specific industry, and advanced standing in programs approved by Wisconsin technical colleges.

Business and industry are setting standards for the Certificate of Occupational Proficiency. Occupational proficiency standards have been established for the printing, graphics and financial service industries.

Other occupational areas that will be added next year include: insurance and health, biotechnology, manufacturing, engineering, hotel/motel management and auto technician. Wisconsin plans to develop certificates in 30 different occupational areas by the end of its five-year school-to work implementation grant, as well as a state curriculum for each industry. Staff will choose additional occupational areas after reviewing the industries' potential for high wage employment and ability to offer training slots for youth apprentices. The state will restructure other technical training options for young people, such as cooperative education programs, to meet the Certificate of Occupational Proficiency standards.

Wisconsin enrolled 120 students in this program in the 1993-94 school year and 400 students in 1994-95. About 20 different companies participated in 1993-94, and an additional 10 are participating during the 1994-95 school year. Grants have been awarded for 25 new programs for 1995-96 covering 70 percent of the state's high schools. By 1999, the state's goal is to enroll 10 percent of 11th- and 12th-grade students in youth apprenticeships or other technical training programs that lead to Certificates of Occupational Proficiency.

Higher Education Reforms

By the 1995-96 school year, the University of Wisconsin system will pilot a new admissions system based on what students need to know and be able to do. Fourteen institutions in the Wisconsin higher education system, including two-year colleges, are participating, as well as the Department of Public Instruction and eight high schools. Faculty throughout the higher education system defined what students should know and be able to do to succeed in introductory courses at the university. Faculty from the high schools are now developing a way to measure whether students meet these standards and a common reporting method.

Upgrade Training and Retraining Efforts

Through the Workplace Partnership Training Program, the state established 43 Workplace Learning Centers across the state. The Centers are on-site education facilities allowing employees to learn basic and advanced skills to keep pace with technological change. Curriculum and instruction are provided by area technical colleges. The program started in 1988 and receives both federal and state funds as well as matching funds from participating businesses. It was initially piloted with discretionary funds from Adult Basic Education. The partners that oversee the Program are the Wisconsin Technical College System, the Wisconsin AFL-CIO, Wisconsin Manufacturers and Commerce and the Center on Education and Work.

The Wisconsin Manufacturing Training Partnership (WMTP) is a notable regional initiative. It is a consortium of 30 metalworking and electronic control device firms with 30,000 workers in the greater Milwaukee area. Member companies establish an on-site workplace center to train workers and assess their skills. The consortium is developing training for entry-level workers and upgrade training for incumbent workers, sharing curriculum, and meeting to discuss joint training issues.

In addition, WTCS receives $8 million annually for the Incentive Grants program. Created in 1987, the Incentive Grants Program

funds adult basic education, literacy and skills training for workers. Approximately $3 million of its annual funds are allocated for training in new and expanding occupations. Companies compete for this state aid. The funds allow them to create programs in cooperation with the technical colleges.

In addition to training available through technical colleges, the Department of Development allocated $5.7 million for the Customized Labor Training Fund in the 1993-95 biennium. The Fund, established in 1983, provides 50 percent matching funds to companies to train new and current employees in new technologies, industrial skills, manufacturing processes or other employment-related skills. Any business requesting funds for quality training is required to first work with the Department of Development's Manufacturing Assessment Center to assess that business' training needs.

Developing a Labor Market System

Wisconsin established a Human Resource Investment Council (HRIC) in December 1994, creating a new state governance structure for workforce development. The state also authorized the development of regional governance structures to provide broad direction for a system of one-stop centers to deliver education, employment and training services. As part of this system, the state is planning to expand and make the system of labor market information more accessible to both clients and policymakers.

State and Local Governance

Wisconsin created its HRIC to provide broad direction to all education, employment and training programs. In addition to the membership required by the federal Job Training Partnership Act (JTPA) regulations, Wisconsin will include representatives from a local education agency, post-secondary institution, social service agency and a local private industry council. The Governor will appoint all members of the Council.

Wisconsin also plans to form local human resource investment councils in each JTPA service delivery area in the state. These will be created state wide by December 1997. The chief local elected official will lead discussions on the composition and responsibilities of the governance bodies. Each locality will decide whether or not to create the local human resource investment board by restructuring the local private industry council or by creating a new council. The state will distribute $20,000 transition grants to help localities establish these boards.

The new HRIC will replace Wisconsin's previous coordinating council for employment and training, the Wisconsin Jobs Council (WJC). WJC was created by Executive Order in 1988 to review the state plan for each major employment and training program and to make budget recommendations to the Governor. The programs under its jurisdiction included JTPA, JOBS, Job Services, technical college programs and apprenticeship programs.

Many of WJC's initiatives will continue under the new HRIC. These initiatives include the State Collaborative Planning Team, the Employment and Training Policy, and the Coordination Policy. WJC created the State Collaborative Planning Team to advise WJC in 1989. The Team includes high-level managers from all of the state agencies that administer employment and training programs to bring policy makers and practitioners together. WJC also created local planning teams to serve the same function.

The Employment and Training Policy sets long-range and mid-range goals for the state's employment and training system which are updated every year. Each of the state agencies under WJC's jurisdiction are required to develop a plan to meet these goals. For 1994-95, the long-term goals include:

- expansion of occupational training and placement leading to economic self-sufficiency;
- emphasis on services to disadvantaged youth and adults;
- assistance to workers affected by dislocations;
- development of a system for home-to-school-to-work transition;

- increased levels of worker basic skills to support the high performance workplace; and
- support for continued education for jobs of the future.

The Coordination Policy created by WJC requires the state to coordinate employment and training programs and simplify inter-agency access to information. It also requires state agencies to create incentives for the local coordination of programs. Each local area has to develop a plan for: unified intake for people enrolling in training programs, uniform assessments of job skills, case management and employer services. These local plans must involve, at minimum, private industry councils, Job Services, JOBS program representatives and the technical college in the area.

Delivery System

Wisconsin's federal one-stop implementation grant will advance efforts already underway in the state to create a system of local one-stop centers for employment and training information and services for all its citizens.

Wisconsin has been working since 1987 to implement a state-wide system of Job Centers. The state has defined Job Centers as local employment and training programs jointly managed across a Job Service district, a JTPA service delivery area, a JOBS administrative unit or a technical college district. These agencies must have a unified system for intake, assessment, case management and employer services. They offer both job seekers and employers information and services designed to meet their specific employment and training needs. Wisconsin is now adding access to Unemployment Insurance programs to all job centers.

Wisconsin is developing 54 Job Center locations in service delivery areas serving 68 percent of the workforce. The state plans to create 80 Centers in counties covering 100 percent of the state's workforce by 1998. The federal one-stop grant will be used to make sure that all citizens have access to the Job Centers with an improved range of services and information. Local human resource investment boards will oversee the network of Job Centers within their regions.

The state is establishing standards for chartering the new Job Centers. The Job Center standards describe how a coordinated local employment and training service delivery system should operate. Once the standards are achieved, the Job Center is recognized as fully developed. The state has earmarked incentive funds from JTPA, Wagner-Peyser and JOBS to support the development of Job Centers.

Labor Market Information

Wisconsin's labor market information includes employment and unemployment rates, wage rates for different jobs, projections about job growth in different industries, information about different career options and listings of available jobs. This information is available through different databases including the Job Services' JobNet and the Wisconsin Career Information System. These two databases are now available in about half of the state's Job Centers.

As part of its one-stop center implementation plan, the state is improving its labor market information system. It plans to develop more consumer information about the costs and success rates of employment and training programs and create databases of:

- state training programs,
- employers and employer hiring practices, and
- Wisconsin occupational skills standards that would list programs by credential offered.

The state also is improving access to labor market information. Job Services, the Department of Industry, Labor and Human Relations, and the Department of Social Services already have linked their databases allowing Job Services, JTPA and JOBS to share information. The state is planning to install self-service technologies in all Job Centers to allow easy access to information. Some information will be available by telephone. Job Services developed JobNet, a self-service, touch-screen information system.

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America's Choice: high skills or low wages?, The Commission on the Skills of the American Workforce, National Center on Education and the Economy (1990)

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The International Experience with School Leaving Examinations, Workforce Skills Program, National Center on Education and the Economy (Spring 1994)

A School to Work Transition System for the United States, Workforce Skills Program, National Center on Education and the Economy (Spring 1994)

"The Business of High Performance," a 14-minute video that defines a high performance work organization and shows examples of companies that have reorganized work to effectively use their highly skilled workforces and, in the process, improved their productivity. Workforce Skills Program, National Center on Education and the Economy (Spring 1994)

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